Friends of Financial History

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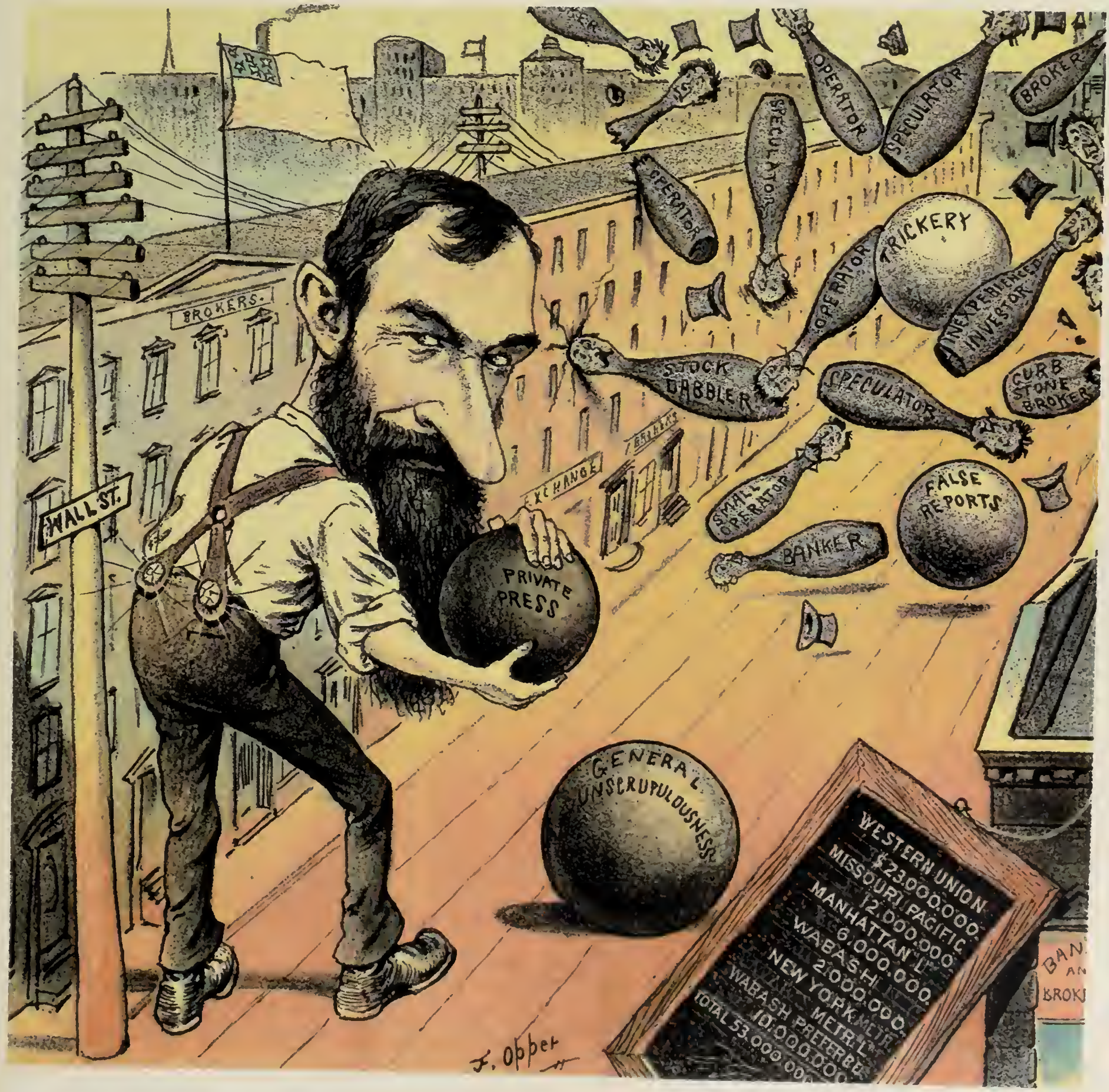

Reforms of the 1930's • Jay Gould
William Wrigley • Old Friends • Financing the Civil War

Friends of Financial History

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FRIENDS OF FINANCIAL HISTORY

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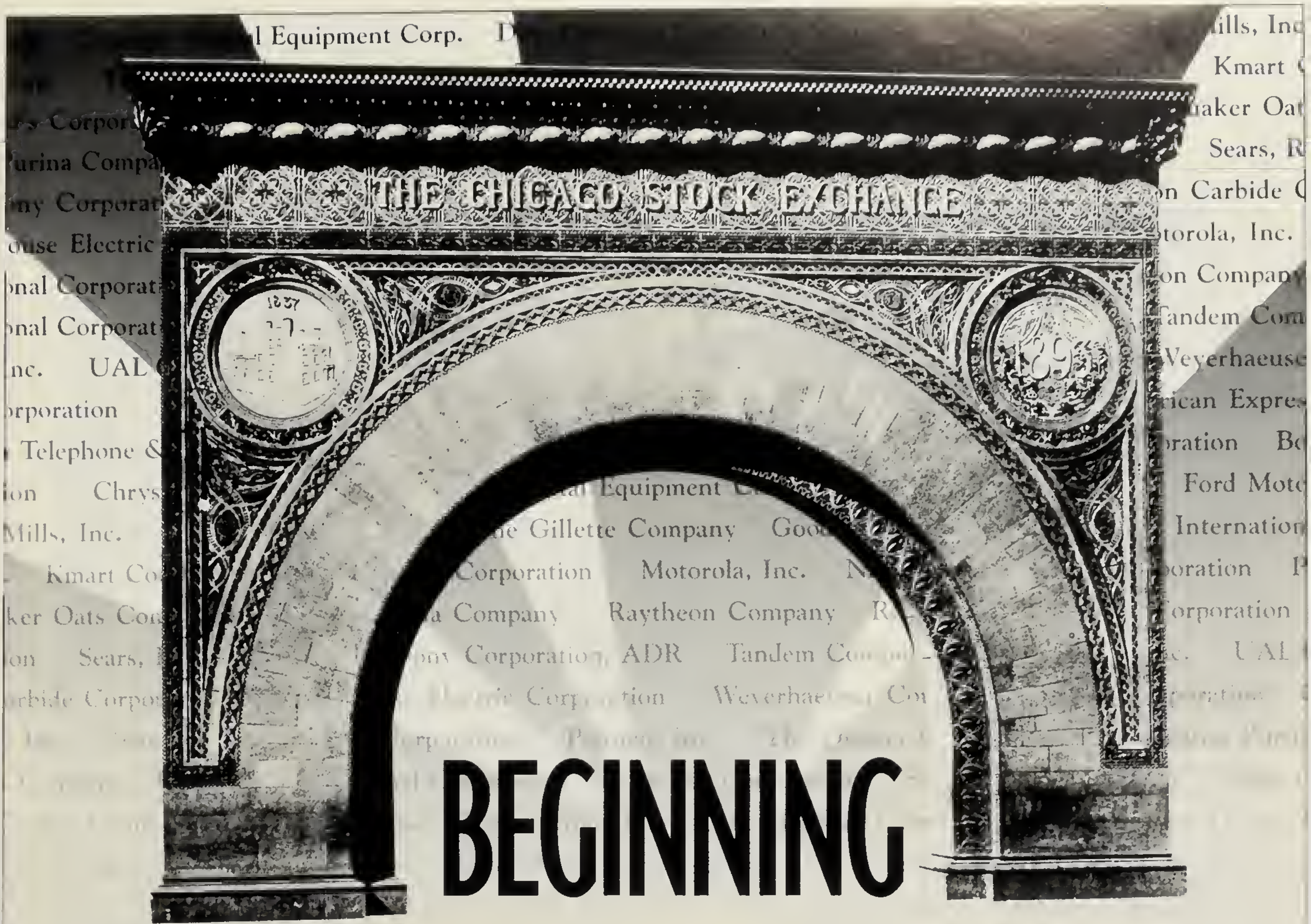

BEGINNING

JULY 8TH, MOTOROLA, 3M AND AT&T TRADED HERE.

So did 2500 other major American corporations. At The Chicago Stock Exchange. A brand-new name that's 111 years old. It was our name when we were founded in 1882. But since 1949, we've been known to the international investment community as the Midwest Stock Exchange. On July 8th, we rechristened our Exchange. And re-dedicated it to the principles that made us grow. Technological innovation. Accessibility. And openness. Principles that have attracted millions of investors to our Exchange. Along with America's leading corporations — local and multinational, high-tech and industrial. For many years, a massive arch designed by the great architect Louis Sullivan stood at our entrance. Today, more than ever, the arch stands for our institution and our beliefs. Through it, investors from around the world enter the equity market at its best.

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Old Friends Depart, New Hands Accept the Torch

New professionals at the Museum mark the organization's growth, and acknowledge the valuable contributions of two good friends.

By John E. Herzog

Time marches on and somewhere in that relentless cadence, old friends depart and new people arrive.

Last May, the Museum experienced a loss when Anne Keane, the Museum's director, changed careers. Anne had been with us since 1989, following the Alexander Hamilton exhibit, and spent three and one-half years here during a very crucial, formative period for the Museum. Our first staff professional, Anne created the museum's administrative structure, made filings with regulators, organized meetings of the trustees, helped establish the *Friends* editorial board, became the managing editor of *Friends*, did the bookkeeping, kept membership records, and helped to formulate many policies. Many of you knew, or had the opportunity to speak with Anne, and appreciate her myriad skills and seemingly unflappable demeanor. She will be missed both personally and professionally. Anne's new position is with New York Life Insurance, in their Office of Corporate Responsibility, which seems fitting. We thank her for her important help to the Museum in its early days, and wish her much continued success in her challenging new position.

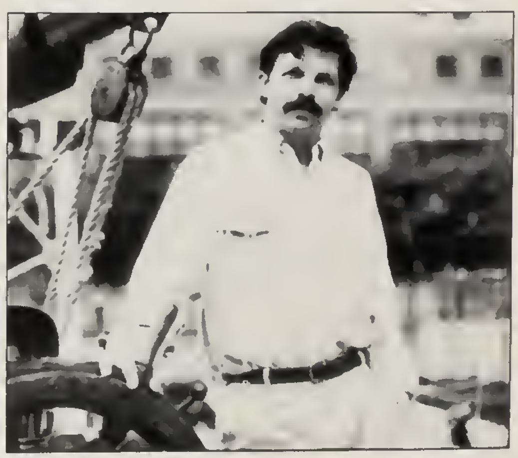
Keane

Moore

In appreciation for her fine efforts, the trustees have awarded Anne the first Lifetime Membership to the Museum.

Our new executive director is Diane Moore, who joined the Museum in July. Diane spent 10 years as the executive director of the Art Director's Club, a 1,000 member professional organization servicing the graphics communications industry. At the Art Director's Club, Diane was charged with complete financial and administrative management of the organization. She ran seminars for the continuing education of members of the industry on various aspects of art direction, coordinated award shows and dinners, planned and managed the galleries, and directed production of the 650 page Art Directors Club Annual. Diane is enthusiastic about her new position here at the Museum, citing the rapid growth of the Museum over the past five years, and the vision and dedication that has made it possible. Her immediate goal: "To become an effective part of that growth as quickly as possible."

Jason Zweig, who has been the editor of *Friends* for several years now, working closely with Anne Keane, has passed the editorial reigns of this issue over to Patrick Harris. Jason's new responsibilities at Forbes magazine have precluded him from devoting the time required to plan and edit our magazine. When "Captain Pat" is not out sailing his sixty foot sloop in New York Harbor — a yacht originally built for banker George F. Baker in 1921 — he brings to us more than 15 years of publishing experience. Most recently, he was the editor of Securities Traders' Monthly, where he also piloted the business side of that publication. Patrick's journalism background includes writing articles for Newsday, The New York Times and other publications in the U.S. and overseas. He was also editor of "The Dolphin," the newsletter of the Long Island Maritime Museum.



Harris

Confederate Bonds Donated to V.M.I.

A luncheon celebrating the donation of Confederate bonds to the Virginia Military Institute was held last spring. From left to right: Major General Knapp, Patricia, Sandy and Judson Mock.

Sanford J. Mock, a senior vice president with Paine Webber, has donated a valuable collection of 130 year-old Confederate bonds to the Virginia Military Institute in Lexington, VA. Haley Garrison, a leading dealer and curator of financial history, and a 1961 graduate of VMI, made the arrangements for the presentation.

Mr. Mock's collection represents a graphic illustration of the financing of the Confederacy during the Civil War. It includes more than 125 bonds issued by the Confederate States of America during the war, as well as bonds issued by the individual southern states. There are no duplicates and many of the extremely rare issues are included.

VMI will use the collection mainly for primary document research. A number of the bonds will be displayed as a permanent exhibit, entitled "Financing the War," at VMI's Hall of Valor Museum at the New Market Battlefield Historical park. Additional pieces will be used in special exhibitions at the VMI museum and at important Civil War historical displays sponsored by VMI.

"VMI seemed like the perfect repository for this material because of the important historical role it played in the Civil War. It's my hope that VMI will use the bonds for research and perhaps come up with new pieces of financial history relating the date of issue of each bond to the events during different months of the war," said Mr. Mock.

Mr. Mock collects antique financial instruments as a hobby.

Lt. Col. Keith E. Gibson, executive director of VMI Museum programs, said "We are very grateful to Mr. Mock for the contribution of his collection to VMI and for his effort to preserve this important piece of financial history for future generations. VMI is honored to become the public repository for this important work."

Mr. Mock presented the bonds formally to VMI at a private luncheon on April 16 in the VMI Museum. He was accompanied by his wife Patricia, his son Judson, and Haley and Hannelore Garrison. VMI was represented by Major General Knapp, the Superintendent, Brig. General Badgett, the Dean, Lt. Col. Gibson, and other dignitaries from the Institute and corps of cadets.

VMI is the nation's first and oldest state supported military college, founded in 1839.

Etna Kelley receives an award of appreciation from Professor Richard Sylla.

Etna Kelley Honored For Research

The Museum's first award for an outstanding contribution in American business history has been presented to Etna M. Kelley for her directory of founding dates of companies.

"The Business Founding Date Directory" lists the year in which 9000 American companies started, beginning in 1687 and running thorugh 1915.

Along with presenting the award to Ms. Kelley, last March, and pictured here during ceremonies at the Museum's gallery, the Museum also acquired the directory. A data base is planned for the information within the directory, and will be updated with information on other companies. Work on the project has begun. Part of the Museum's initiative in this enterprise may be seen on the back cover of this issue of Friends: the first advertisement celebrating an important anniversary of an American company.

Marine Insurance and 18th Century Capitalism

The period between the American Revolution and the War of 1812 was a time of financial innovation and American marine insurance companies of the 1790s were a new institution. In a recently-published study, "Eighteenth-Century Capitalism, The Formation of American Marine Insurance Companies" by Mary Elizabeth Ruwell, the role of these companies is placed in the perspective of other great financial innovations of that time — a period of transition to modern credit and investment institutions from the simple credit transactions that preceded American independence.

The author, a director for the National Anthropological Archives, Smithsonian Institute, points out that private banks, joint-stock banks and the Bank of the United States all started after the American Revolution. Ms. Ruwell says American marine insurance companies, a new institution at the turn of the century, provided a critical service to the early American economy: the accumulation and provision of capital. This study focuses on the first American marine insurance company, the Insurance Company of North America, determining how it fit into its time and place, and what innovation it introduced. It emphasizes investment and opportunity which, almost accidentally, saw a new venture transform itself into an industry. It describes the organizers as well as the merchant policy holders who quickly gained control of the firm.

At the same time, the study looks at the patterns of American shipping and insurance rates for the company's early years and explains why the merchants were interested in, and became dependent upon this new institution.

Marine insurance companies were the brilliant way to deal with the expansion of American commerce and the attacks on American shipping during the Napoleonic wars, points out Ruwell. Within five years, she says, the company system was well established in the U.S. as opposed to the earlier system of private underwriters. Part of that success was that companies initially offered lower rates than the private underwriters — but that changed quickly!

While many of the original companies have been forgotten, their capital formation and management practices are still visible in modern business, says Ruwell.

The study is 250 pages, and interested parties may contact the Library of Congress and reference ISBN 0-8153-0969-4. The study costs $49.00.

Financial History Conference Scheduled

A conference on "Anglo-American Finance: Financial Markets and Institutions in 20th Century North America and the U.K." will take place at New York University on Friday, December 10, 1993.

According to conference organizers Richard Sylla (see his article on "Financial Reforms" in this issue of *Friends*) and professor Michael Bordo, of Rutgers, the capital markets and institutions of the Anglo-Saxon countries have developed in fundamentally different directions, from those of continental Europe and Asia. The Anglo countries — the United States, Canada and the U.K. — are more market oriented, with money, bond and stock markets playing major roles for finance, while the latter countries are more institution oriented, with German-type universal banking traditions. This "battle of the systems" is of interest to financial practitioners, to policy makers, and to students of financial economies.

The NYU conference will address questions on how and why the differences in the financial systems emerged, and what effects these differences have had in creating economic and social welfare benchmarks. The conference will further study the development of the Anglo-American financial systems and their interactions in the twentieth century. Leading American, British, and Canadian financial historians will present and discuss twelve papers on banks and banking; investment banking and financial market

Museum Acquires Bulls and Bears

Colorful bulls in top hats and bears in bowlers, originally the characters illustrating promotional posters for an 1883 game, have been acquired by the Museum of American Financial History. The reprints are being offered for sale at $49.95.

"Bulls and Bears, The Great Wall Street Game," sounds all too familiar during periods of high volatility in the market. The artwork pictured above was on the game's box top, and was used to create the posters. The full-color artwork is suitable for framing and would make an attractive and interesting addition to an office. Send a letter or fax, with a credit card number, and the poster will be on its way to you. For further information on ordering, call the Museum of American Financial History at 212-908-4519.

No bull! The museum has acquired these reproduction posters of an 1883 board game. In full color, they can be purchased for $49.95. To place an order, fax the museum at 212-908-4600.

regulations; money, mortgage and securities markets; intermediation, foreign investment, and financial integration.

The conference is part of the program of New York University's Salomon Center, an independent, academic research institute focusing on finance. It will be held at the NYU Stern School of Business, 44 West 4th Street, New York, NY 10012.

For further information, contact professor Sylla at Stern, 212-998-0869.

Press Reviews: Civil War Exhibit "On The Money"

From the New York Post, to The Kansas City Star, to the Richmond-Times Dispatch, the American press has raves for the Museum's exhibit on financing the Civil War.

Apparently, from a sampling of press clips, the media found and presented to their readers, a fascination with the financial picture of the Civil War. While many Americans knew the North was the industrial power, and had the financial institutions that the South lacked, they were unaware of the "bond wars" and other fiscal weapons that were so effective in ending America's bloodiest war. The exhibit, which is the subject of a feature article in this issue of *Friends*, displays currency, bonds, certificates, financial documents and other economic artifacts from both North and South.

Trivia from the exhibit: The "Land of Dixie" was derived from a $10 note issued by the State of Louisiana, each bill carrying the French word "Dix," meaning ten. Eventually, Louisiana and then the entire South became known as the land of "Dixes" and eventually "Dixie."

Correction: The photograph above, of John Pierpont Morgan, Jr., was incorrectly noted in the last issue of *Friends* as the senior J. P. Morgan. This photograph was taken of J. P.'s son, who was known as "Jack" Morgan, in 1936. This was the most commonly circulated photograph of Jack, in which the striking resemblance to his famous father is apparent. Jack died in March 1943.

Chicago Stock Exchange Changes Name

What's in a name?

The Chicago Stock Exchange, formerly the Midwest Stock Exchange, has found that changing their name has helped "raise the profile of the Exchange," both nationally and internationally, according to Chris Gronkiewicz, a spokesperson for the Exchange.

The name change became effective in July 1993. On trading floors in the financial community the exchange is now listed as the CHX.

According to Ms. Gronkiewicz, changing the name has helped promote the fact that the CHX is not a regional-stocks only exchange. Rather, she said, the exchange lists or has over 2,900 issues, of which more than 2,200 are stocks listed on the New York Stock Exchange, approximately 500 American Stock Exchange issues, and about 100 Over The Counter stocks.

The Chicago Stock Exchange was founded in 1882.

Historic Banker's Yacht Returns To New York

The private sailing yacht of banker George F. Baker has returned to New York harbor waters and is now available for private parties in the summer and fall months.

The "Ventura" was commissioned by Mr. Baker just ten years before his death in 1931 and was launched at the world famous Herreshoff yacht yard in 1922. At the time of his death, Mr. Baker was ranked by Forbes magazine as the third richest man in America, behind Rockefeller and Carnegie. In June, 1993, at the Memphis Paper Money Show, a stock certificate bearing Mr. Baker's signature traded at $600.

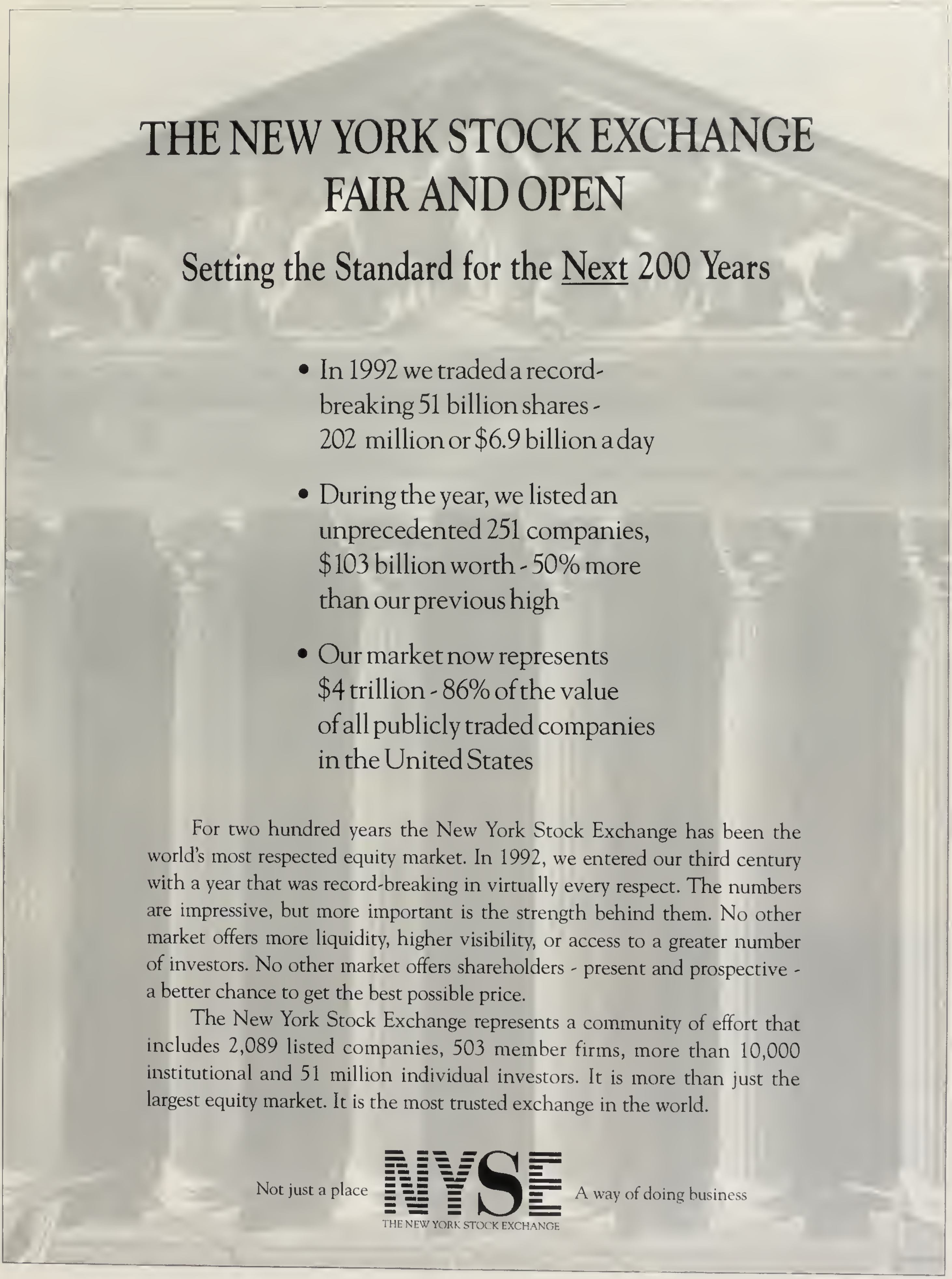
Baker

At the turn of the century, Baker and J.P. Morgan, who were reported friends, were considered the two most powerful bankers in the United States. Baker was the creator of the prestigious First National Bank, a "blue ribbon" corporate bank with a client list of major American companies. The bank also specialized in underwritings through its securities affiliate, which Baker also created in 1908. In March 1955, First National Bank merged with the National City Bank, becoming The First National City Bank of New York. The organization is now known as Citibank.

Designed as a shallow-draft, comfortable cruiser, Mr. Baker used Ventura largely to pursue his passion for duck hunting in the waters off Long Island. Now the 70-foot yacht sails in New York harbor, appropriately based at the World Financial Center, in lower Manhattan. "Ventura" hosts private day and evening sails, including fully-catered dinner cruises, for between 20 and 30 guests.

The yacht has a colorful history, including a stint during World War II in anti-submarine patrols off the East Coast, and then as a charter yacht in the Virgin Islands in the 1960s. She was found in a badly deteriorated condition in Staten Island, NY in 1987 by her present owner, Patrick Harris. She has since been restored to her period and certified by the U.S. Coast Guard as an approved, passenger carrying vessel.

For information on chartering Ventura, call 212-786-1204.


THE NEW YORK STOCK EXCHANGE
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Setting the Standard for the Next 200 Years
• In 1992 we traded a record-breaking 51 billion shares - 202 million or $6.9 billion a day
• During the year, we listed an unprecedented 251 companies, $103 billion worth - 50% more than our previous high
• Our market now represents $4 trillion - 86% of the value of all publicly traded companies in the United States
For two hundred years the New York Stock Exchange has been the world's most respected equity market. In 1992, we entered our third century with a year that was record-breaking in virtually every respect. The numbers are impressive, but more important is the strength behind them. No other market offers more liquidity, higher visibility, or access to a greater number of investors. No other market offers shareholders - present and prospective - a better chance to get the best possible price.
The New York Stock Exchange represents a community of effort that includes 2,089 listed companies, 503 member firms, more than 10,000 institutional and 51 million individual investors. It is more than just the largest equity market. It is the most trusted exchange in the world.
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Museum Honors O'Brien, Hosts Third Annual Fundraiser

The Museum of American Financial History's winter fundraiser was highlighted by the presentation of the museum's first "Outstanding Service" award.

The Museum of American Financial History held its third annual fundraiser last January 13 in New York City, during which the museum honored Edward I. O'Brien with the "Outstanding Service to American Capital Markets" award.

Mr. O'Brien, who has since retired as president of the Securities Industry Association after nearly two decades in that post, was the first person to receive the "Outstanding Service" award. According to museum officials, Mr. O'Brien was chosen for his leadership role in establishing the Securities Industry Association as a highly responsible and forceful industry association. He was also cited by many speakers during the fete for his high professional standards and his personal integrity during a long career as an executive in the industry and as president of the SIA.

Held at The University Club, the fundraiser featured speeches and presentations by several political leaders. Among them were Congressman Jerrold Nadler, who praised Mr. O'Brien's many years of service and leadership, Wallace Ford, the New York City Business Services Commissioner, and Kathryn Freed, City Council member.

Mr. O'Brien noted that he was satisfied with his accomplishments and proud of his tenure as SIA president, and thanked his many friends in attendance for their support during those years.

Over 100 people attended the museum's gala. *Continued on page 34*

John Herzog of Herzog Heine Geduld; Margaret and Edward O'Brien, retired president of Securities Industry Association, honoree, all New York; Tom O'Donnell of McDonald & Co. Securities, Cleveland; John Watson, president of Security Traders Association, New York.

Thomas and Angela Lewis, trustee, both of Investors Co., New York.

Past Is Prologue: Financial Reforms of the 1930s

An historical perspective of the major financial reforms that shaped today's capital markets; Crises forced changes in the 1780-1790s.

By Professor Richard Sylla

The author is a Henry Kaufman Professor of the History of Financial Institutions and Markets and Professor of Economics at the Leonard N. Stern School of Business, New York City.

In 1993 we mark the sixtieth anniversary of what arguably was the most comprehensive program of financial reform in U.S. history. It began with Franklin D. Roosevelt's inauguration as president, reached peak momentum during the first hundred days of legislative activity of FDR's New Deal, and continued at a more moderate pace through the remainder of the 1930s, ending with the Investment Company Act of 1940.

This essay interprets the financial reforms of the 1930s in the larger perspective of two centuries of U.S. economic and financial history. I first review the financial crisis of early 1933, and the key reforms that were responses to it. Then I consider the only earlier instance of comprehensive financial reform in U.S. history, that of 1789-92, and compare its content and fate with those of the New Deal reforms. Although some of the New Deal reforms, like the ones much earlier, unraveled, others were successful and persisted for decades.

The two cases of comprehensive financial reform in the United States were the products of major financial crises. Some now argue that the multitude of financial problems that arose in the 1980s, the legacy of which perhaps continues in the sluggish economy of the early 1990s, constitutes still another major crisis. Talk of financial reform is again in the air. But the current crisis in U.S. finance, if such it be, seems to me to be of a much lower order than the crises of the 1780s and the 1930s. I therefore conclude that the possibilities for another comprehensive financial reform package comparable to the two earlier ones in our history are, at present, minimal.

Early 1933: A Look Back

The month before FDR's inauguration on March 4, 1933, may have been the darkest in U.S. financial history. Four weeks earlier, on February 4, Louisiana declared a bank holiday. On February 14, the banking system of Michigan collapsed. The climax to three and one-half years of market crashes, waves of bank failures, and unprecendented economic depression was underway.

The next day, February 15, Ferdinand Pecora, the recently appointed counsel to the subcommittee of the Senate Banking and Currency Committee that was investigating stock exchange practices, began questioning witnesses regarding the collapse of Samuel Insull's financial empire. One of the witnesses, Harold Stuart, the head of the investment banking house of Halsey Stuart, Insull's principal bankers, admitted that his firm bought radio time and hired a University of Chicago professor to read scripts on the principles of sound investment. The scripts, in fact, were written not by the "Old Counsellor," the professor's radio name, but by Halsey Stuart. Further, Halsey Stuart had led a client to sell other securities and invest in an Insull company without revealing that Halsey Stuart held a large stock interest in it and that Halsey Stuart partners served as officers of the company. The American public was shocked by revelations of what were taken to be conflicts of interest and attempts of fiduciaries to make things seem to be different from what they actually were.

The following week, on February 21, Pecora began questioning Charles Mitchell, head of the National City Bank and its securities affiliate, the National City Company, uncovering what were taken by the public to be even greater abuses by the country's leading financiers and financial institutions--not paying taxes, huge salaries and bonuses, stock manipulations, selling securities with inadequate or misleading information pro-

Jay Gould in an editorial cartoon circa 1900.

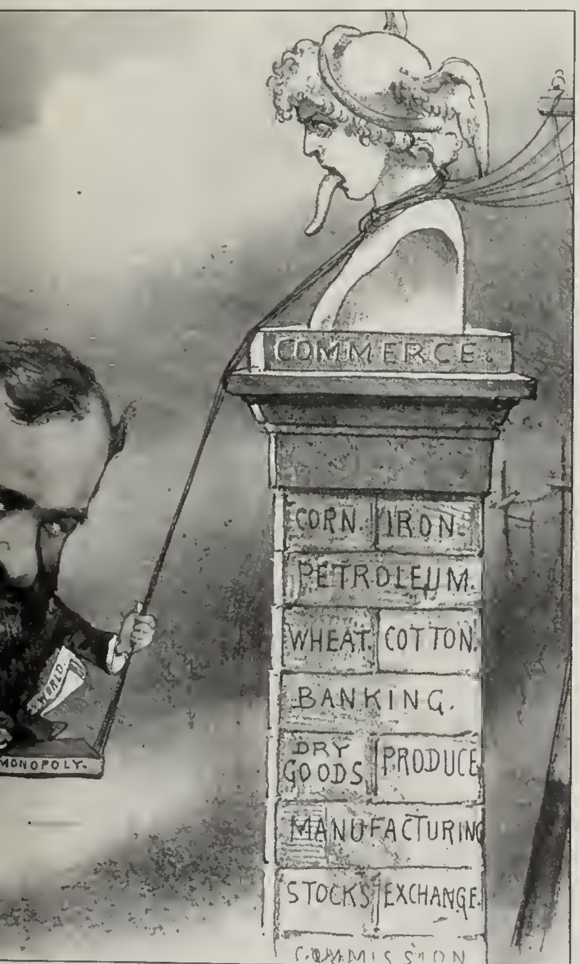
I love Jay Gould.

That seems to be a strange statement to make about someone who has been dead for over one hundred years and who has without doubt, one of the most tarnished, yet misunderstood reputations of any Giant of American History. There was a time four or five years ago when I really wasn't particularly interested in

vided to the buying clients, other conflicts of interest, and so on. The National City revelations, involving as they did one of the nation's preeminent financial institutions, again shocked the public, and this time they reverberated in high places. A week later, on February 28, Mitchell resigned his National City position, supposedly after being told by a close friend who was also in the FDR camp that the president-elect thought it advisable for Mitchell to do so.

While these events were unfolding, the banking situation took a nasty turn. Bank failures and bank holidays were accompanied by calls of Democratic leaders for abandoning the gold standard and inflating the money supply, with reports that the president-elect shared these views. The result was a run on gold. Up to that point in the Great Depression, as in earlier U.S. banking panics since the Civil War, bank depositors rushed to convert their deposits to currency. By February, 1933, even currency became suspect. In the run on gold, the stock of the yellow metal in the Treasury and Federal Reserve banks fell 17 percent during the two and one-half weeks between February 15 and inauguration day. More states declared bank holidays. In the early morning hours of March 4, inauguration day, Governor Lehman of New York, on the urging of New York banks that were having massive withdrawals of funds by U.S. and foreign banks, issued a proclamation closing the banks of the Empire State. When FDR proclaimed the bank holiday two days later, most of the nation's banks had already closed their doors.

Recounting the events of that pre-inaugural month 60 years ago serves to remind us that all the pillars of the U.S. financial system were then collapsing. A monetary system based on gold and the



Jay Gould "The Greatest Financier and the Most Powerful Robber Baron in American History"

by David M. Beach

Jay Gould. His autograph was not difficult to obtain on the Missouri, Kansas and Texas Railroad stock certificate, and like most people, I didn't take the time to understand the enormity of the man and his true place in history. Then I began to read about the man and I became utterly fascinated with his amazing life and career and I started to collect every document that I could find that he wrote or signed.

Then I discovered the truth about collecting Gould documents. Yes, MKT certificates were available, but virtually everything else was extremely rare and indeed most other documents were just one or two of a kind known. However, after acquiring several letters that Gould wrote, I began to appreciate this man even more and realizing that these letters truly revealed Gould in a new light, I intensified my efforts to learn more. Since that time I have built what is thought to be the largest collection of Jay Gould material in private hands. I have uncovered many previously unknown or at least unpublished personal letters written by Gould which reveal his character to not be the "Evil Incarnation of Doom" which he was portrayed to be to the American Public by the Press.

It is true that he wasn't a Saint, however at the time he operated, there were no laws against much of what he did. He just knew the angles, and he thought of them before anyone else did. He was simply smarter than those around him, and while some of his deeds could be considered unethical by some, compared to the ethics of many others in the last half of the 1800's, Gould should not be singled out for vilification. However, on Wall Street, for every winner, there is at least one loser and since Gould did not often lose, there was always someone to bad mouth him and frequently distort the truth. He was crucified in the Press as a wrecker of Companies, but in reality he was a great builder as you will soon discover.

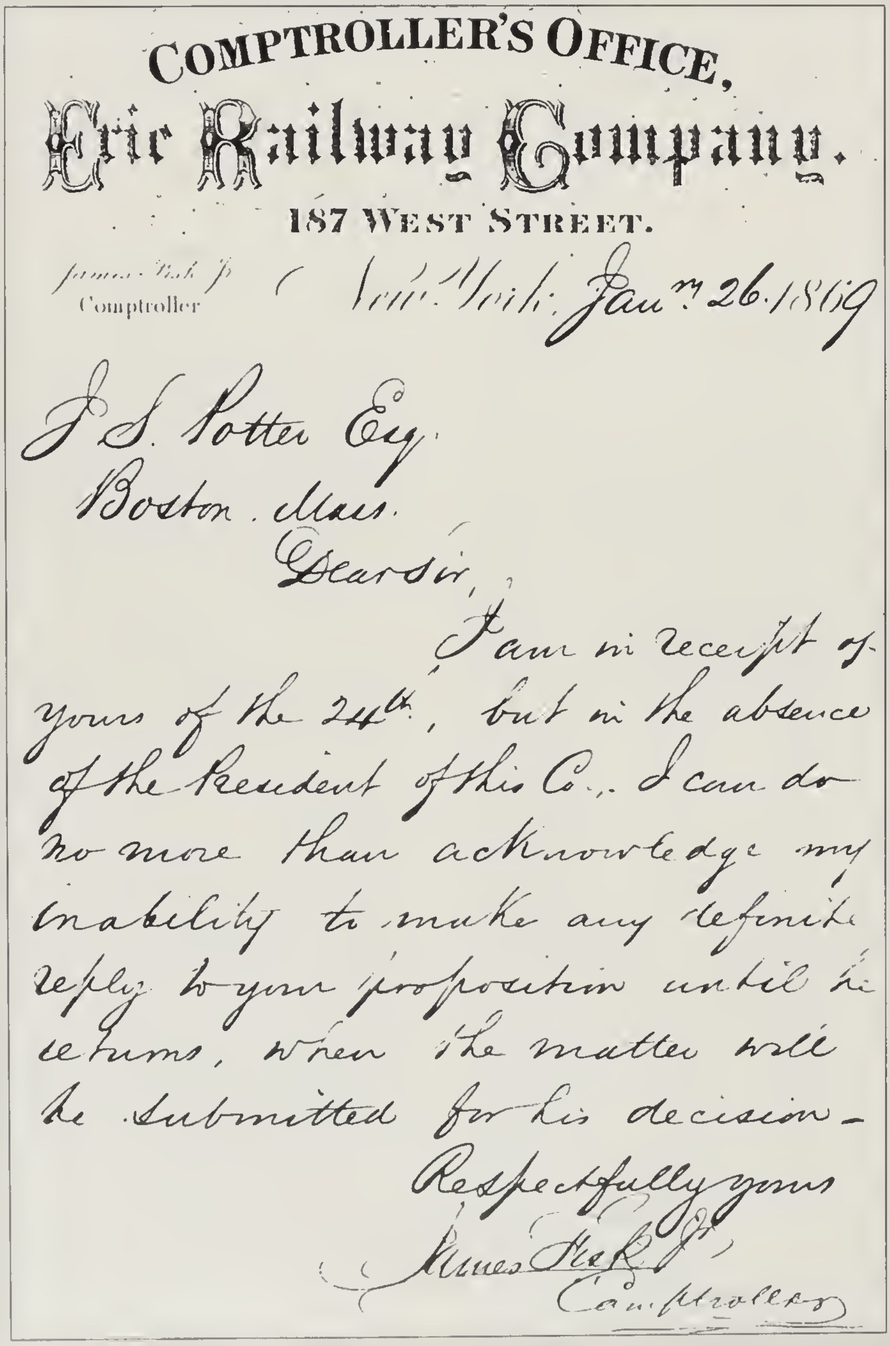
John D. Rockefeller, Henry Flagler, Commodore C. Vanderbilt etc., etc. were all Great!, and I have wonderful documents in my collection that were signed by them as well as other legends of American Financial History. However, I really believe that Gould in many respects stands out above all of them. While Rockerfeller and Flagler were the Barons of Oil, and Vanderbilt stayed in New York and controlled his vast shipping interests and ran his New York Railroads, Jay Gould was building and expanding all over the entire country. He traveled tens of thousands of miles, personally inspecting and supervising massive projects, even though he was in generally poor health. While others were the greatest in one field, Gould was the greatest in many. He has been de-

Continued on the following page

gold standard was no longer tenable. A banking system that destroyed money and confidence by shutting its doors to its customers was not really a banking system at all. Capital markets and institutions that misled their clients, hid pertinent information from them, and were headed by seemingly unprincipled persons who abused fiduciary trust could not survive. It is worth remembering the integrated, across-the-board nature of the financial collapse of the early 1930s. It provided the backdrop for the reforms of the New Deal era that followed. And it demonstrated the interrelatedness of finance. Financial reform in the 1930s involved not merely individual measures such as changing the monetary base, insuring bank deposits, divorcing investment banking from commercial banking, allowing greater latitude for branch banking, or having capital markets and institutions disclose pertinent information to their clients. Rather, it embodied a comprehensive approach involving all of these measures.

It is evident from the list that the reforms were comprehensive, applying to money, banking, the central bank, and the capital markets. Half of the dozen items in the list came during the first "100 days" of New Deal legislation. Eight of the twelve came during the term of the 73rd Congress.

There were numerous other executive orders, resolutions, and acts related to financial reform, but the ones listed here are, I think, the main ones that changed the U.S. financial system in ways that lasted for decades. Indeed, a good number of the New Deal reforms are still in effect today, six decades after they were instituted. But others have been eroded by subsequent events or, as in the case of the gold exchange standard, have been abandoned.



COMPTROLLER'S OFFICE,
Erie Railway Company.
187 WEST STREET.

James Fisk Jr
Comptroller

New York, Jany 26, 1869

J. S. Potter Esq.
Boston, Mass.
Dear Sir,
I am in receipt of yours of the 24th, but in the absence of the President of this Co., I can do no more than acknowledge my inability to make any definite reply to your proposition until he returns, when the matter will be submitted for his decision.
Respectfully yours
James Fisk Jr
Comptroller

Jay Gould (continued)

scribed as the most powerful person in America during the period from 1870-1892.

Among his accomplishments:

$ In 1867, along with Jim Fisk and Daniel Drew, fought Commodore Vanderbilt for control of the Erie Railroad. This "Erie War" captured the attention of the entire nation.

$ In 1869, Gould and Jim Fisk attempted to corner the gold supply of the United States and in a scheme that even touched the Presidency of General Grant, caused a massive depression in the country that lasted several years.

$ He controlled the communications of the entire United States

Exhibit 1: This letter written in the hand of Jim Fisk is considered to be the greatest known Fisk document. Only two other Fisk letters are known to this author and they were written by secretaries. This letter puts the roll of Fisk clearly in place. In spite of a power broker reputation he was unable to make a decision until Gould returned. The following is a word-for-word transcript of Fisk's response to a Mr. J.S. Potter, of Boston, January 26, 1869

Dear Sir,
I am in receipt of yours of the 24th, but in the absence of the President of this Co., I can do no more than acknowledge my inability to make any definite reply to your proposition until he returns, when the matter will be submitted for his decision.
Respectfully yours,
James Fisk, Jr.
Comptroller

Today some students of American finance argue that comprehensive financial reform is again necessary, to correct the defects that have been found with the New Deal measures and others that have arisen. Other analysts contend that the reforms of the 1930s were flawed from the start and should now be scrapped. The New Deal reforms eventually did lead to a number of financial problems, but they also accomplished much that was good. Critics of the New Deal reforms should make an attempt to consider what the financial condition of the United States was like on March 4, 1933. They could recall, for example, the 1936 words of Joseph P. Kennedy, the Wall Street figure who became the first chairman of the SEC: "I am not ashamed to record that in those days I felt and said I would be willing to part with half of what I had if I could be sure of keeping, under law and order, the other half."

I will return to the issue of evaluating the New Deal reforms later, but I want first to provide some historical perspective by examining the nature and consequences of what I consider to be the only other example of comprehensive financial reform in the nation's history. It provides interesting parallels as well as contrasts with the 1930s reforms.

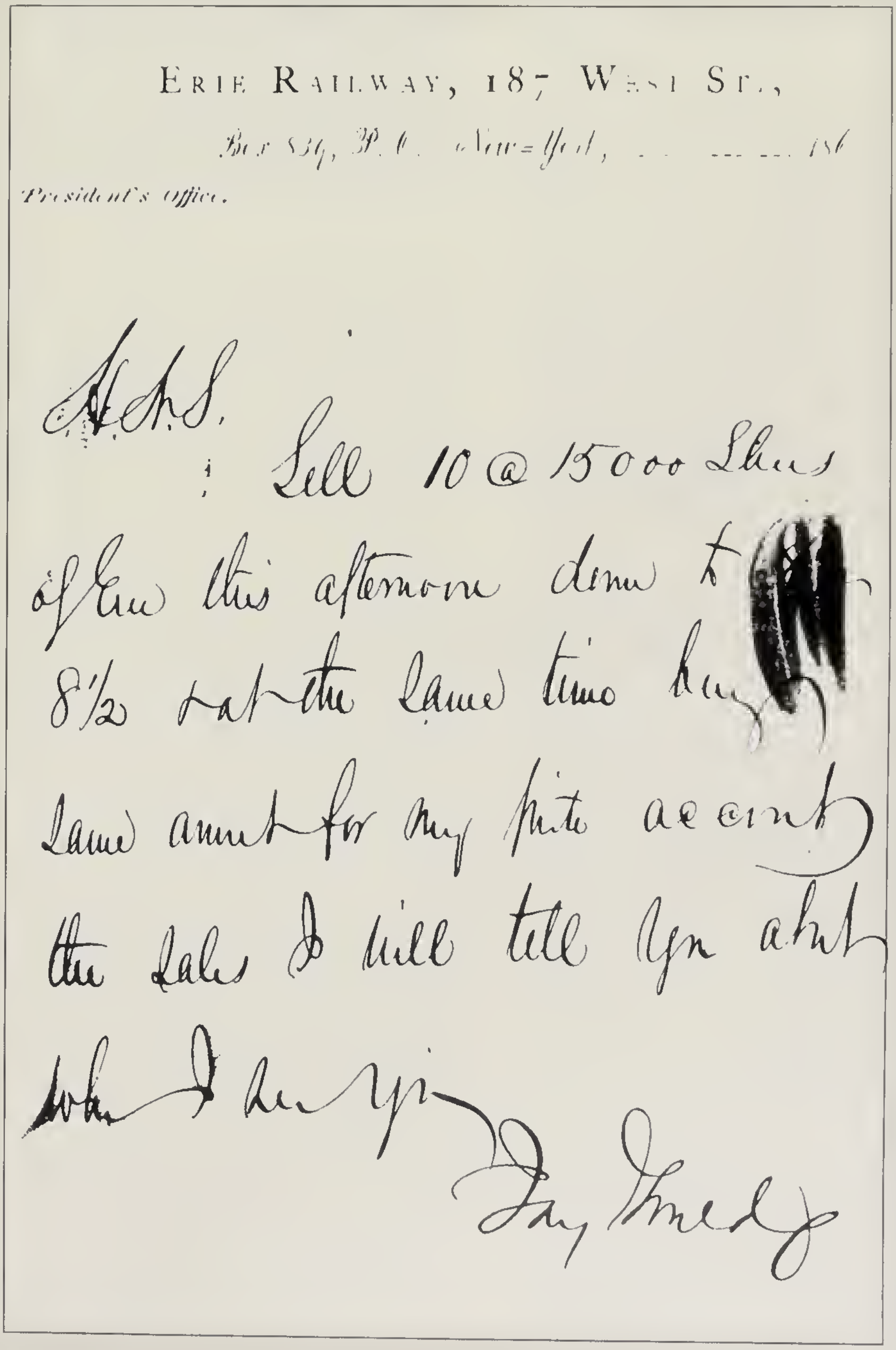
A Look Farther Back

In teaching U.S. economic and financial history, I like to stress the point that the Constitution of 1787, revered by Americans as coming almost from on high, was actually a document that directly addressed the critical economic problems of its time. The Revolutionary War had flooded the fledgling nation with paper money, prompting hyperinflation, and created a huge and unorganized debt overhang at both the national and state

through his ownership and/or control of Western Union and several other telegraph companies, the overseas cable, the Associated Press and several major newspapers including the New York World. Klein's book states it well, "Independent newspapers depended on Gould's Telegraph, as did businessmen, bankers, brokers and Stock Exchanges. His command over the flow of information enabled him to rig the market, confound business adversaries, promote his enterprises, tear down rivals, and punish organs that opposed him."

$ Owned and controlled the system of New York Elevated Railways.

$ Controlled over 10,000 miles of Railway Track in the U.S. including the Erie, the Union Pacific, the Missouri Pacific, the Colorado Central,


ERIE RAILWAY, 187 WEST ST.,
Box 39, P.O. New-York, 186
President's Office.

H.N.S.
Sell 10 @ 15000 Shrs of Erie this afternoon down to 8½ & at the same time buy same amnt for my private account the sale I will tell you about when I see you
Jay Gould

Exhibit 2: This letter, written on presidential letterhead to Gould's broker Henry N. Smith, is one of the most damning Gould documents known. It instructs Smith to sell 15,000 shares of company owned stock and to drive the price down, then buy an equal amount of the stock at the new lower price for Gould's private account. Note that he changes the price that he wants the stock driven down to on the second line. The following is a word-for-word transcript of this market manipulation order:

H.N.S.
Sell 10 at 15,000 shares of Erie this afternoon down to 8 and one half and at the same time buy same amount for my private account. The sale I will tell you about when I see you.
Jay Gould

levels. The national government under the Articles of Confederation had no taxing power, relying instead on requisitions of funds from the states. In the depressed economic conditions of the 1780s, the states were reluctant to pay their shares of national expenses, and the national government therefore was sometimes unable to pay the interest on its debt, much less debts themselves when they came due.

The states were not much better off in this regard, although they did have taxing powers. But when a state such as Massachusetts raised taxes to pay state war debts in the midst of depressed economic conditions, the result was a taxpayers' revolt in the form of an armed insurrection, Shays's rebellion in 1786. The depression of the 1780s led to state measures that raised questions about how united were the United States: tariffs on imports from other states to relieve the depression and export unemployment--and, or course, to retaliation by other states--as well as state paper money issues with legal tender clauses to relieve debtors and exploit creditors and citizens of other states.

The Constitution directly addressed this crisis of the 1780s. The new federal government was given taxing and borrowing powers and responsibility for its old debts. It received as well the power to coin money and regulate its value. And it was given the power to oversee and regulate commerce between the states. At the same time the Constitution prohibited the states from issuing paper money, from making anything other than gold or silver legal tender, from passing laws that impaired the obligation of contracts, and from interfering with interstate commerce. When the new federal government took office in 1789, however, these constitutional provisions were little more than words on a sheet of paper. They pointed to some directions that U.S. economic institutions *should* take, leaving open the issue of how the country would get there.

Implementation of the constitutional mandate in the area of financial reform came quickly, like the New Deal reforms, during the first administration of President Washington. Unlike the New Deal reforms, the financial reform program of 1789-92 was largely the work of one person, Alexander Hamilton. When Hamilton became the nation's first Secretary of the Treasury in September, 1789--after drafting the bill that established the Treasury Department--the Tariff Act of July, 1789, was in place to furnish revenue for the new government. That was the crucial underpinning of the debt funding scheme Hamilton then worked out and reported to Congress in January, 1790. This first report on public credit also called for additional revenue from excise taxes on distilled spirits, which became the new government's first internal tax in 1791. After much debate over Hamilton's plan to have the federal government assume the debts of the states, resolved by the famous compromise that moved the national capital first from New York to Philadelphia and then to the new federal city on the Potomac in 1800, Congress adopted Hamilton's debt plan in July, 1790.

In the first report Hamilton hinted that he would soon recommend establishment of a national bank, which he did in a second report on public credit in December, 1790. The Bank of the United States was to be a mixed enterprise, owned partly by the government and partly by private investors, and serving both parties. Its public functions included augmenting the nation's money supply with banknotes (only a handful of small, local banks were then in existence); lending to the government when necessary; receiving, holding, and transferring public funds, and--cleverly--supporting the new public debt which in Hamilton's plan could be used by private investors to purchase stock in the bank. After considerable controversy regarding the bank's constitutionality, the president signed the act of Congress embodying Hamilton's bank proposal in February, 1791, and the Bank of the United States began to be organized.

While the bank bill was being considered, Hamilton in late January, 1791, furnished Congress with a report on establishing a mint. Following ideas suggested by Thomas Jefferson to the old Confederation government, Hamilton defined the dollar, the unit of account, in terms of both gold and silver (bimetallism), and proposed a variety of coins based on the decimal system, unique at the time. The Coinage Act of 1792 embodied Hamilton's proposals, and the mint opened at Philadelphia in 1794.

As they were implemented, Hamilton's financial reforms effectively launched--as he intended--the development of a U.S. capital market, which had hardly existed before 1790. Old evidences of public debt--national and state--were exchanged for some $70 million dollars of Federal bonds, payable--principal and interest--in specie, and, as noted, subscribable for stock in the Bank of the United States. Even before Bank stock, $10 million in total, was issued, an active market in "scrip," the rights to buy it, developed. Speculation in these new federal security issues, along with that in other, smaller private and public securities, led to a crash, Wall Street's first, in early

Jay Gould (continued)

the Saint Louis Southwestern, the Texas and Pacific, the Denver Pacific and the Central Pacific and this list is FAR from complete. Grodinsky stated that Gould's life was a progression. "He began as a speculator, a stockmarket manipulator. At the end, he was building railroads, not with a printing press but with steel, and seeing himself, as perhaps essentially he was, not a pirate not as a conniving president selling his own stock short, not as a man who was running a road into the ground, in defiance of the bondholders, but as a builder of roads."

Jay Gould died on December 2, 1892, at the age of only 57. One can only imagine what he might have accomplished had he lived longer.

Recommended reading:
Klein, Jay Gould, "The Life and Legend" 1986
Ackerman, "The Gold Ring, Jim Fisk, Jay Gould and Black Friday, 1869" 1988
Gordon, "The Scarlet Woman of Wall Steet, Jay Gould, Jim Fisk, Cornelius Vanderbilt, The Erie Railway Wars and the Birth of Wall Street" 1988
O'Connor, "Gould's Millions" 1962
Warshow, "Jay Gould, The Story of a Fortune" 1928
Hoyt, "The Goulds, A Social History" 1969
Grodinsky, "Jay Gould, His Business Career 1867-1892" 1957
Mott, "Between the Ocean and the Lakes, The Story of Erie" 1900

1792. The crash, in turn, led to the Buttonwood Agreement, forerunner of the New York Stock Exchange, in May, 1792, as brokers formed a private club to trade securities after New York State, in an early regulatory response to a crash, banned public auctions of securities in an "Act to Prevent the Pernicious Practice of Stock-Jobbing." By that time the crash was over and securities trading continued to develop, on Wall Street and elsewhere, apace with the expansion of the U.S. economy.

With these changes in the monetary system, in banking and central banking arrangements, and in the capital markets, the comprehensive financial reforms of 1789-92 were every bit as dramatic as the reforms of 1933-35. The main difference in the two reform scenarios, it seems, is that in the former period the Wall Street crash came at the end, while in the latter it came at the beginning.

The fate of the Hamilton reforms is instructive. Some lasted for a long time; others were eroded and eventually disappeared. The U.S. Treasury Department and national debt, which Hamilton put into place, are still there, and now furnish the materials for the largest financial market in history. Bimetallism was flawed conceptually and never worked very well in practice, but the specie-based dollar lasted, with occasional interruptions, to the 1930s. The unpopular internal tax system was undermined by Jefferson when he became president, to the embarrassment of his successor, Madison, when war came in 1812 and cut imports and customs revenues. But it was in time rebuilt. And the growing economic influence and political power of state-chartered banks--they mushroomed as a result of the Hamiltonian reforms--paradoxically caused the federal charters of Hamilton's Bank and its successor, the Second Bank, to fail to be renewed when they expired 20 years after going into effect in 1791 and 1816. The powers and privileges of these central banks were resented by many state bankers. The attack of the Jacksonians on the Second Bank, the "Bank War" of 1829-36, was especially bitter. Congress eventually remedied the loss of a Bank of the United States when it founded a politically less vulnerable central bank in 1913. Wall Street survived its first crash to have many more, and to become a power in its own right, even if reined in during the 1930s.

Hamilton, by effectively organizing the


Alexander Hamilton

basic elements of financial infrastructure in the first years of the nation's existence, cast a long shadow over its subsequent economic history. Even when he failed in his own time to persuade Congress to follow him, as with his Report on Manufactures calling for protective tariffs and subsidies to infant manufacturing enterprises, his program eventually was adopted. One can see his arguments in today's debates on strategic trade, industrial policy, and so on. I suspect that of all of the founding fathers he would would be the one least surprised and most pleased, if he could come back now and witness what Americans have done with their economy and society in two centuries.

Fate of the 1930s Reforms

With a historical basis for a comparative study, let us turn to the fate of the 1930s reforms. The monetary reform--a fiat paper standard at home and a gold bullion standard internationally--proved in time to have conceptual and practical flaws similar to those of bimetallism. With the implementation of the Bretton Woods system after World War II, the dollar became international money, convertible into gold if it found its way into a foreign central bank that wanted to convert it. When the United States flooded the world with dollars in the 1950s and 1960s, some foreign central banks decided to convert. The United States soon realized that it did not have enough gold to meet these demands, and it dropped the Bretton Woods system in 1971. Under bimetallism one of the two metals served as money, and the other became a commodity fluctuating in price. Under the fiat paper and gold system of the 1930s, one of the two served as money and the other--eventually--became a commodity fluctuating in price. In each case the item that the market decided was the less valuable of the two options ended up serving as money.

The New Deal's banking reforms in the short run seemed to do the most good, but in the longer run appear to have done the most harm, at least as far as U.S. commercial banking is concerned. Deposit insurance initially was not favored by FDR or by Senator Glass, whose alternative to it was wider branch banking, but whose main interest was in getting commercial banks out of the securities business. Congressman Steagall favored deposit insurance, the favored measure of the small-town bankers who loathed branch banking and feared competition from big, money-center banks. The Banking Act of 1933 was a compromise. Glass got the separation of commercial and investment banking as well as a slight relaxation of restrictions on branch banking, while Steagall got deposit insurance as the main prop for commercial banks. The banning of interest on demand deposits and the setting of maximum interest on time deposits is said by some to have been a sop to bankers, whose interest costs would be reduced as an offset to the increased costs represented by deposit insurance premiums.

Deposit insurance ended banking panics. For that reason alone many consider it a signal reform contributing to economic stability. But the interest-rate, entry, and other regulatory controls that accompanied it, while reducing bank failures, eventually victimized the commercial banking industry when rising market interest rates and financial innovation in such forms as money market funds and cash management accounts undermined the cozy banking cartels put in place by the New Deal reforms. When the banks tried to stem their losses of profits and market share in financial services by entering new (really, old) lines of business, they ran afoul of the Glass-Steagall separation. They also took risks that increased bank failures and in time depleted deposit

insurance funds. Because of the New Deal measures, U.S. commercial banking is in decline both at home and in the world.

Before the 1980s, deposit insurance was viewed as the greatest and most successful of the New Deal reforms. Few are of that opinion today. A better candidate now would be the capital market reforms—registration, disclosure, the SEC, and so on. Why? By placing the capital markets on a higher informational and regulatory plane, these reforms increased public confidence and participation in them, led to the rise of intermediated investment by institutions such as pension and mutual funds, and produced markets of great depth and innovativeness, sometimes to the discomfort of other parts of the financial system. It was the reverse of what happened with banking reform. Initially, the capital markets were demoralized by the New Deal reforms, but in the longer run they benefited greatly from them. A century and a half apart, two national leaders from New York, Hamilton and FDR, pursued reforms that redounded to the long-term benefit of Wall Street.

The fate of the central banking component of the two great comprehensive financial reform programs in U.S. history was quite different. The two federal Banks of the United States went by the boards in 1811 and 1836. In contrast, the Federal Reserve System has remained almost untouched by Congress since the Banking Act of 1935. There is a paradox here. The two Banks of the United States for the most part served the country well before they were done in by politics. On the other hand, the Fed, we now know, contributed in a major way to the debacle of the Great Depression, and many would argue that it was at least the proximate cause of the great inflation of 1965 to 1981 that did so much to undermine the U.S. financial system during and after that era. (An alternative *was* possible: compare how the Fed behaved during the late 1960s and 1970s with how the Bundesbank in Germany has been holding the line against inflation under similar pressures in recent years.) For good or ill--or both--the Fed is the financial component that has been least changed since the 1930s reforms increased and centralized its powers. Given the record, that is certainly interesting. Will the central bank continue to remain untouched while the other components of the financial system around it are tossed and tumbled by the winds of economic change?

Concluding Observations

A balanced account of the New Deal financial reforms is emerging. There were successes and failures. The monetary and

The New Deal Reforms

What were the major New Deal financial reforms? In the interest of pointing out their comprehensive nature involving money, banking, and the capital markets, I provide the following summary —R.S.

March 1933

Executive Order

Banks closed for Bank Holiday and prohibited from paying out specie.

Emergency Banking Act

Authority granted to nationalize gold holdings; bank holiday extended but way paved for reopenings; banks authorized to issue preferred stock for recapitalization; collateral for Federal Reserve Bank advances broadened.

Executive Order

Prohibition of gold exports--end of gold standard.

May 1933

Securities Act

Registration of new offerings of securities with FTC (later, with SEC) and disclosure by prospectus of sufficient information from registration statement to allow prospective investors to judge value of offering.

June 1933

Joint Resolution of the Congress

Abrogation of gold clauses in contracts.

Banking Act of 1933

Deposit insurance instituted through new FDIC; (Glass-Steagall) interest on demand deposits prohibited and interest on time deposits regulated; commercial and investment banking separated; national banks allowed to branch consistent with state law; Federal Open Market Committee created with one member from each Federal Reserve district.

January 1934

Gold Reserve Act

Dollar devaluation authorized; dollar devalued devaluation next day to 59% of former gold value; US on gold exchange standard internationally and paper standard domestically.

June 1934

Securities Exchange Act

SEC established; registration and disclosure requirements of Securities Act applied to all listed securities; listed corporations to file annual financial reports and quarterly earnings statements; exchange procedures and manipulative practices banned; margin requirements on brokers' loans under Federal supervision.

August 1935

Banking Act of 1935

Fed renamed and organized with greater centralization of powers; Federal Open Market Committee changed to 7 Governors plus 5 voting Reserve Bank presidents; Board of Governors given power to vary reserve requirements within limits and to approve discount rate changes; regulation of deposit interest rates extended.

Public Utility Holding

Limited a utility holding company to control of a company in a single, integrated system; more stringent SEC regulation.

June 1938

Maloney Act

Led to National Association of Securities Dealers and SEC regulation of the over-the-counter market.

November 1940

Investment Company Act

Extended SEC registration and disclosure requirements to investment companies.

banking reforms were flawed, the flaws becoming apparent by the 1960s. Deposit insurance ended banking panics, but how much of the "socialization of risk" that it represents can the nation afford? The central banking reform has remained relatively untouched since 1935, but the issues of the constitutional basis of central banking, of who controls the central bank, and of what are its goals and the proper means of reaching them are still widely discussed and very much open.

The capital market reforms of the 1930s have been the most successful component of the New Deal package. But even here the success has been less than complete, and it is of more than parochial interest to consider why that is the case. The Glass-Steagall separation of commercial and investment banking, although somewhat relaxed, is still in effect despite studies that have found little hard evidence of the alleged shortcomings and abuses that provided the rationale for it in 1933. The Glass-Steagall separation is best explained, I think, as a manifestation of an ideological predispostion that has been present throughout the entire sweep of U.S. financial history, one that comes down against any concentration of financial resources and favors fragmenting financial institutions and markets by legal restrictions and regulations.

This ideology of financial fragmentation was behind the slaying of the two Banks of the United States, behind the states'-rights approach to banking that persists in the dual banking system, behind the pro-unit-, anti-branch-banking movements, and behind the original, decentralized Fed in its first two decades. It was a key element of the New Deal reforms: the Glass-Steagall separation, the preference for deposit insurance over liberalized branch banking, the Public Utility Holding Company Act, and the Investment Company Act. The last of these placed portfolio restrictions on investment companies; a mutual fund, for example, was precluded from putting more than 5 percent of its assets into the securities of any one issuer or from purchasing more than 10 percent of any one company's securities. While the former provision might be justified on diversification grounds, the latter was clearly intended to prevent finance from controlling non-financial business. The ideology continues in portfolio restrictions on insurance companies and pension funds (ERISA) as well as in the multiple layers of financial regulation both within and among the federal and state governments.

Franklin D. Roosevelt

Fear of concentrated financial power is a staple of U.S. history, and is supplemented, of course, by the perceived self-interest of particular financial institutions and markets. Perhaps it made political and economic sense when finance was more secretive and less open than it is now, and when financial institutions were the representatives of a wealthy minority instead of the masses of bank and insurance customers, securities investors, and pension-fund accumulators that they now represent. But is it still justified?

An evaluation of the New Deal reforms and their contributions to U.S. financial stability and efficiency after 1933 should take into account the larger context of the United States in the world economy. Some degree of the reforms' success was not inherent in the reform legislation so much as it was the result of the unique postion of economic strength that the U.S. enjoyed in the world of the 1940s, 1950s and 1960s. The war of 1939-45 damaged the economies of every other large nation but strengthened that of the United States. In the mid 1940s, the United States with 6 percent of world population produced about half of total world output. In this situation it was easy for Americans to attribute some measure of their good fortune to preceding economic reforms. Two decades of economic growth with price stability after 1945 served to reinforce the argument. But that way of arguing gave more credit than was justified to the reforms and less than was due to larger historical circumstances of an unusual nature. As the other nations recovered and returned to more normal economic relationships with the United States, and as the United States itself went on an inflationary binge, the flaws of many of the New Deal financial reforms became apparent in the credit crunches of the 1960s and 1970s, in the collapse of the Bretton Woods international monetary system, and in the debts, deficits, and defaults of the 1980s.

These events lead some to think that comprehensive financial reform is once again necessary. If so, is it possible? A student of U.S. financial history would not be sanguine on this question. If history is a guide, comprehensive reform appears to require a major crisis. It does not appear that the financial distrubances of the 1970s and 1980s merit such a label. One piece of evidence supporting this contention is what happened after the U.S. Treasury called for comprehensive reform in its report of early 1991, *Modernizing the Financial System*. What happened was essentially nothing. After reaching Congress, the Treasury proposals were chewed up and spit out of the legislative mill. And it appears that United States in 1993 has fewer major financial problems than it did during 1989-91. It will take more of a financial crisis than we now have--one on the order of the crises of the 1780s and 1930s--before another round of comprehensive reform will take place in the United States. FFH

Will the Real William Wrigley Please Stand Up?

Atlantic City's William Wrigley, a toothpaste entrepreneur, tried to capitalize on the more famous Chicago Wrigley, of chewing gum fame.

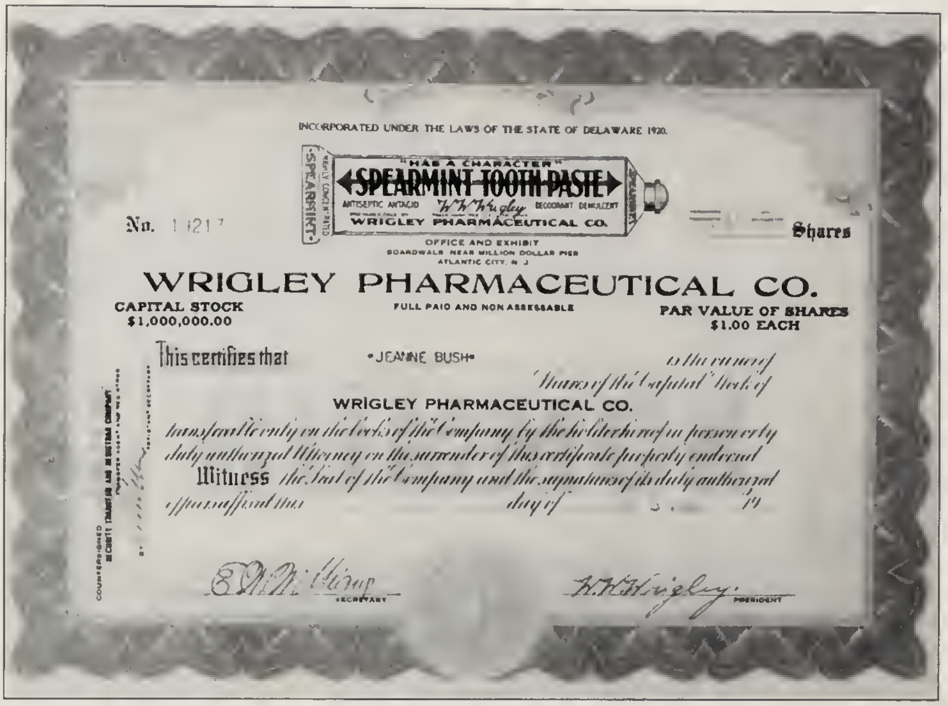
By William C. Schmidt, Jr.

While most stock and bond collections are built around one, or a small number of, themes, it is a rare collector indeed who is not susceptible to the blandishments of an occasional certificate - however far the certificate may be from the collector's main interests - based either on that certificate's appearance or on the "story" behind it. Such is the case with certificates of the Wrigley Pharmaceutical Company, which operated out of Atlantic City, NJ during the 1920s and 30s.

Clearly, the appearance of the various orange-and-black Wrigley Company certificates appeals to collectors. They bear, too, as they do a large vignette of a tube of the Wrigley Company's Spearmint Tooth Paste, which furthers collector interest. Beyond that is the rather "colorful," but still spotty knowledge of the company's history.

Over the years, this author has seen numerous short descriptions of the Wrigley Company's operations — some easily believable in whole or in part, others wildly outrageous — all of which either explicitly state, or at least imply, that the company was some form of stock scam.

Another related theme that is common to all descriptions is that the president and founder of the Wrigley Pharmaceutical Company, W(illiam) W. Wrigley, who signs the certificates as president, did all he could to play on the similarity in names between himself and the William Wrigley (1861-1932) of chewing gum fame, and the latter's internationally known "Spearmint" gum (introduced in 1899). From this point on, however, descriptions of the company's operations differ markedly. Some state flatly that the Wrigley Company never produced a single tube of toothpaste or that, at best, it had only a small storefront operation on the Atlantic City boardwalk which it used only to convince potential investors of the legitimacy



The Wrigley Company certificates boast orange and black color schemes.

of its operation. My favorite Wrigley tale conjures up images of Jay Gould and Jim Fisk's midnight flight across the Hudson River from New York to New Jersey in order to escape "Commodore" Vanderbilt's wrath at the height of the "Erie War" or, perhaps even more appropriately, images of Butch Cassidy's flight to South America in order to escape the wrath of Federal marshals. In this version, Wrigley, his luck having run out in the U.S., escapes to Canada one step ahead of the authorities. Stupidly, however, he pulls the same scam in Canada as he did in the U.S., thereby running afoul of the Canadian authorities. Still wanted by the U.S. authorities for his Atlantic City activities, Wrigley has left himself no place left to run, and is apprehended by the Canadian authorities and eventually jailed.

What is the truth? We will probably never know the full story of the Wrigley Pharmaceutical Company until some dedicated researcher spends some time looking in detail through newspapers and court records of the time. However, some things can be stated with certainty, and others deduced. For example, the assertion that Wrigley produced little or no toothpaste is simply not correct. This is known with certainty because one prominent collector and researcher has written that, as a youngster in Maryland, he used Wrigley toothpaste for several years during the early 1930s, but the product "disappeared" in the mid-1930s; others to whom he has spoken used it during this time period as well. As a point of information, both the collector and those of his friends who were also using this toothpaste at the time, all thought that the toothpaste was made by the same company

which made the chewing gum. Thus, it is clear that the company was, for a time at least, a bona fide manufacturer which had distribution channels for its product well outside of its own immediate geographic location. The collector went on to say the "greatest thing" about Wrigley toothpaste was its pleasing spearmint flavor. He recollects, too, that the good-size tubes used by his family cost 10 cents. The company produced a variety of tube sizes costing 10, 25 and 50 cents, and was well known for promoting stock sales by offering 10 shares of stock at $1.00 per share along with 24 of its 25-cent tubes of its toothpaste (a $6.00 value!) all for the cost of the stock, or $10.00.

In one promotional venture, the company produced one truly jumbo-sized tube, caught by the camera during its presentation to the mayor of Atlantic City, during the promotion. The text accompanying the photograph reads in part: "On July 6th, 1925, W.W. Wrigley, President of the Wrigley Pharmaceutical Co., presented to Honorable Edward L. Bader, Mayor of Atlantic City, . . The Largest Tube of Toothpaste in the World, in front of the tooth paste manufacturing exhibit of Wrigley Pharmaceutical Co. on the Boardwalk, near the Million Dollar Pier, Atlantic City, N.J. A guessing contest will be conducted to determine the number of cleansings in this giant "granddaddy of them all" tube. . . The tube is an actual reproduction of the regular 25 cent size tube of Spearmint Tooth Paste. It is filled with real Spearmint Tooth Paste. . . The tube is decorated in the distinctive orange, black and white colors of the Company and displays the Wrigley Pharmaceutical Co. trade mark. The tube was so heavy that it was necessary to roll it out on a truck for the picture. . . the contents of the huge tube . . if used three times a day would last between 300 to 700 years. . ."

Where this "granddaddy" tube was produced is not stated, but the company did indeed at some point acquire a bona fide factory of some 20,000 sq. ft., its purchase being arranged by one of the company's large stockholders, Anthony Ruffu, former City Commissioner of Revenue and Finance who, by the time of the factory purchase, was Atlantic City's mayor.

By the mid-1920s, the Wrigley Company had begun to encounter legal difficulties, some quite probably of its own making, but some possibly not. With reference to the latter, the author has read in secondary sources — but has not been able to confirm — that, in the mid-1920s, the activities of the Wrigley Pharmaceutical Company came to the attention the "real" William Wrigley, the chewing gum magnate, who issued a statement denying any connection with the Wrigley Pharmaceutical Company. Whether Wrigley took any steps beyond this alleged statement, such as formally complaining to the authorities or suggesting that this namesake company be harassed or shut down is not known, but certainly not outside possibility.

Legal difficulties, which quite likely were of the company's own making, are highlighted in a short article in the April 3, 1926 issue of the Atlantic City Press, which stated that the Securities Commissioner of Missouri warned the public not to buy stock in the Wrigley Pharmaceutical Company since the company had not been given a permit to sell stock in the state. The article went on to state that the company had launched a mail campaign for the sale of its stock to Missouri residents in violation of a cease-and-desist order issued by the state against the company for the same type of activity the previous year.

It appears that this was only the beginning of the company's legal problems. An Atlantic City Press article dated September 11, 1929 stated that trading in Wrigley stock had been banned in its home state of New Jersey after the company failed to respond to a questionnaire, and that it had been ordered to produce its books for examination by the authorities. The special assistant attorney general, who brought suit against the Wrigley Company under the securities act, explicitly stated, "... its purpose was to fraudulently avail itself of the trademark and goodwill of the William Wrigley, Jr. company of Chicago, manufacturers of chewing gum." According to the article, trading in the company's stock had been stopped for similar reasons in various other states as well, among them Pennsylvania, Ohio and West Virginia. By this time, the company, which

had been incorporated in Delaware in 1920, was known to have sold some $3 million of its stock nationwide.

The legal position of the Wrigley company had deteriorated badly by 1933, with numerous company officials and employees being indicted at this time. The Atlantic City Press of March 3, 1933 carried the following notice: "Ten officials and employees of the Wrigley Pharmaceutical Corporation were indicted by the Federal Grand Jury today on charges of fraudulent use of the mails and conspiracy to defraud numerous persons of almost $1,000,000." Among those indicted were W.W. Wrigley and Patrick Gallagher, president and vice-president, respectively, of the Wrigley Company. The timing of this indictment, by the way, correlates nicely with the collector mentioned previously who remembered Wrigley toothpaste's becoming unavailable at about this time. This author does not know the final disposition of this lawsuit, but has read in secondary, unsubstantiated sources, that most of those indicted were given fines ranging from $300 to $1000 — and then, of course, we have the "infamous" flight-to-Canada tale. Wrigley did, have a Canadian operation, as evidenced by the existing stock certificates in the Wrigley Tooth Paste Co., Limited so this tale may be an exaggeration. This is further evidenced by comments made to stockholders in an April 3, 1929 letter: "I previously mentioned that Wrigley Pharmaceutical Co. owns 51% of the stock of the Wrigley Toothpaste Co., Limited of Montreal, Canada. I might mention here that the Wrigley Toothpaste Co., Limited has exceeded my fondest hopes. The distribution of Spearmint Toothpaste throughout Canada has been far more complete than I expected and its advertising has been markedly effective..." The author, however, has never encountered any credible evidence that Wrigley's Canadian operation ever played any role whatsoever in the fanciful and highly-questionable flight-from-prosecution drama previously related.

Whatever the intervening years held for Wrigley and his company, the final curtain for the Wrigley Pharmaceutical Company fell in early 1941, when one of its creditors, the Trenton Folding Box Company, petitioned to have the company forced into receivership. Papers filed with the courts at the time stated company assets to be $23,273 and liabilities $48,140. A short article in the April 9, 1941 issue of the Atlantic City Press tells the tale of the end: "Public sale of the assets of the insolvent Wrigley Pharmaceutical Company, local toothpaste manufacturers, for the high bid of $3500 was confirmed . . here yesterday. The assets, which included machinery, fixtures, stock and chemical material, were sold to Meyer E. Goetz, New York . . ."

By the way, sold with the Wrigley Pharmaceutical Company's assets was the right to use the company name and trademark. FFH

The author wishes to thank Mr. Arlie Slabaugh for supplying a portion of the material used in this article.

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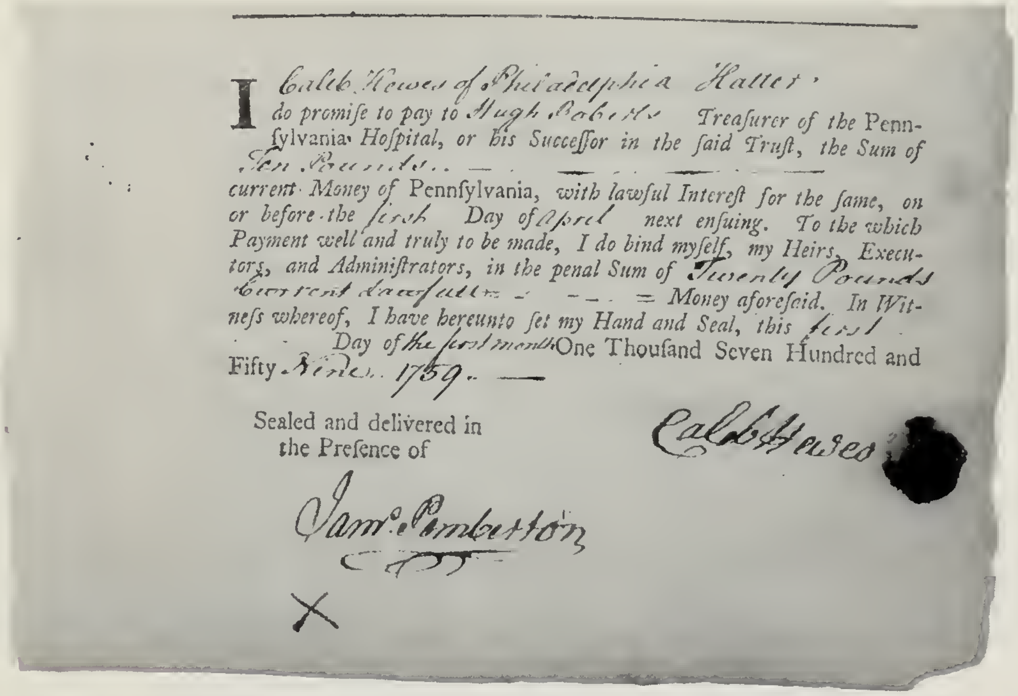

I Caleb Hewes of Philadelphia Hatter do promise to pay to Hugh Roberts Treasurer of the Pennsylvania Hospital, or his Successor in the said Trust, the Sum of Ten Pounds — current Money of Pennsylvania, with lawful Interest for the same, on or before the first Day of April next ensuing. To the which Payment well and truly to be made, I do bind myself, my Heirs, Executors, and Administrators, in the penal Sum of Twenty Pounds Current lawfull — Money aforesaid. In Witness whereof, I have hereunto set my Hand and Seal, this first Day of the first month One Thousand Seven Hundred and Fifty Nine. 1759. —

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The Financing of the Civil War

Welcome to a walking tour through the gallery of the Museum of American Financial History; Join the group dialogue as Dr. Ball explains the fiscal "War between the States."

By Dr. Douglas B. Ball

The following is a transcription of Dr. Ball's talk to Museum of American Financial History visitors this past July. The visitors asked some astute questions of Dr. Ball as he walked them through the Civil War exhibit.

Dr. Ball: To start off, this is an exhibit which shows the nation's financial changes and progress during the Civil War. It shows what the situation was at the beginning of the war, and what had happened by the end of the war. During this period, the Union proceeded to innovate, and in effect, laid the foundation for a modern United States economy by 1865. The Confederates, devoted to business as usual, and particularly opposed to paying any taxes or otherwise going out of their way to preserve $3.5 billion of slave property, got a sound drubbing due in part to monumental incompetence in the financial area.

Looking at things before the war started, you see here some of the notes issued by the Bank of North America, the oldest bank in the United States, now swallowed up by Chemical Bank, New York, which I'm sure you're familiar with, and by other banks that have also been merged or otherwise gone out of business.

Museum of Financial History entry on lower Broadway.

In those days you could select any topic or person that you pleased for the note's design. The Southern banknotes had many images of blacks on them, as you will note, emphasizing the South's peculiar institution. In those days the issuing of notes by banks chartered by the states was widespread along with private notes. But private note issue was taxed out of existence by the Federal Government at the end of the war. Borrowing money by private persons was considered to be a common-law right unless it was actually prohibited by state law.

Let's look at the war years. One of the more interesting things is how Dixie got its name. Louisiana had a substantial French-speaking minority, and all the laws were published both in English and French — the journals of the debates of the legislature, for example. "Dix" is the French word for ten. The South became known as the "land of Dixes", and ultimately Dixie.

In the North, not long after the war got underway, the banks suspended cash payments in gold and silver coin, because their reserves were depleted.

Several things happened in those early war years. First of all the United States Government got into the note-issuing business — legal tender tax receivable notes — including fractional currency to replace all the small silver coins, which were hoarded after January 1862. Many people also began issuing their own small bills, but the Federal Government prohibited these as of July 17, 1862. This law was needed because of the public losses from all the "tickets," "deposit certificates" and so on, which people invented trying to get around the law. Congress also levied a nationwide tax on property, and persons. The State of California levied a poll tax to raise its quota of this general property tax. It was the last time the United States Government levied what's called a direct tax, before the income tax.

Did California collect it on behalf of the Federal Government?

Dr. Ball: Yes. Some of the Southern states did the same thing when the Confederate Government levied a similar tax — South Carolina, for example, did. But in the North, some states did nothing and let the Federal Government do it. California was so isolated with no railroad, that they undertook this job themselves. You

see here a copy of the Federal Income Tax Regulations for 1862, — part of the Congressional program to maintain the value of the notes the government issued was to provide everyone with a solid reason why they had to get their hands on these notes to pay their taxes.

Was there any one specific moment, for example when the war started, when all of this financial activity took place, or did it continue throughout the war?

Dr. Ball: It continued throughout. When the South seceded in November 1860, all the banks immediately suspended specie payments. Specie payments are not maintainable in the middle of a revolution, but the United States government in the North maintained payments until December '61 until the slow ebbing away of coins from the banks forced them to suspend specie payments, too. That forced the Federal government to suspend payments on its demand notes. The government then could collect customs dues in specie at the Custom House, or the Secretary of the Treasury could run out and borrow gold and silver coin on bonds or notes. The government had to do this, as this coin was needed to pay the interest on the national debt.

Was there was a run on the Northern banks, too?

Dr. Ball: There was a steady run, and things became serious when the walk became a full sprint. In December of '61, the banks closed the teller windows on the customers fingers, so they couldn't get their coin any more. And you can see too that everybody got into the note issuing act, even Delmonico's restaurant! They began issuing notes, and 25 cents in retaurant scrip, presumably, would buy you a four-course lunch there: soup, entree, salad and dessert, plus coffee.

The Federal government also tried to raise money in various ways, and used various kinds of debt instruments: short-term notes, high-interest bearing instruments to be passed from hand to hand, bonds offering attractive rates of interest for long periods of time, and so on.

What was a typical rate for a long bond in those days?

Dr. Ball: Your usual Federal rate was 6 percent, but they floated these short-term notes at 7.3 percent. You see here an advertisement for the end-of-the-war financing. What is tremendously important is that they got Jay Cooke, the Philadelphia investment banker, to set up a nation-wide consortium to sell these bonds. So for the first time there was a national market in U.S. government securities, and this activity was centered in New York. You'll see that just before the war, in December 1860, the New York Stock Exchange sales were very paltry — only $800,000 traded on an average day. By the end of the war, that figure came to many millions of dollars every day. There was great growth here because Jay Cooke created a national securities market. So now for the first time corporations could sell their shares not just in Boston if you were a Boston firm, or New York if you were a New York firm. Now throughout the entire country, dealers would get up an issue and be able to market the stocks or bonds of this railroad or that manufacturing company. That's a tremendously important development for the modern securities industry.

Was there active trading of Confederate bonds in London or Paris? Or, were they just bought and put in safekeeping?

Dr. Ball: The Erlanger Confederate Cotton Loan, issue which was originally launched by Baron Erlanger in Frankfurt, Paris and London, with the help of J. Henry Schroeder & Co. (now Schroeder, Wagg) were traded actively in London, Paris and Frankfurt. Other Confederate bonds were shipped to Europe, but most of those were fairly closely held, and sometimes were used as payment for past-due bills or as collateral for other transactions. The Erlangers fell constantly in value until the last interest payments were finally suspended in September 1865. That's when trading stopped.

You see this right here? This was before the beginning of the war with J.P. Morgan moving his investment banking business from London to the United States because that's where the action was. London, at that time, was the financial capital of the world. You'll see from this exhibit the establishment of a national banking system; all of these stock certificates are indicative of the tremendous growth of business in the North — including floating new companies and the growth of oil. Oil for instance, grew from $2 million worth pumped in 1860, to over $100 million a year, by the end of the war. All of this reflected railroads being built, the growth of manufacturing and machine tools. So you see by these exhibits the Northern industries burgeoning, and there's a tremendously active, vibrant economy by the end of the war.

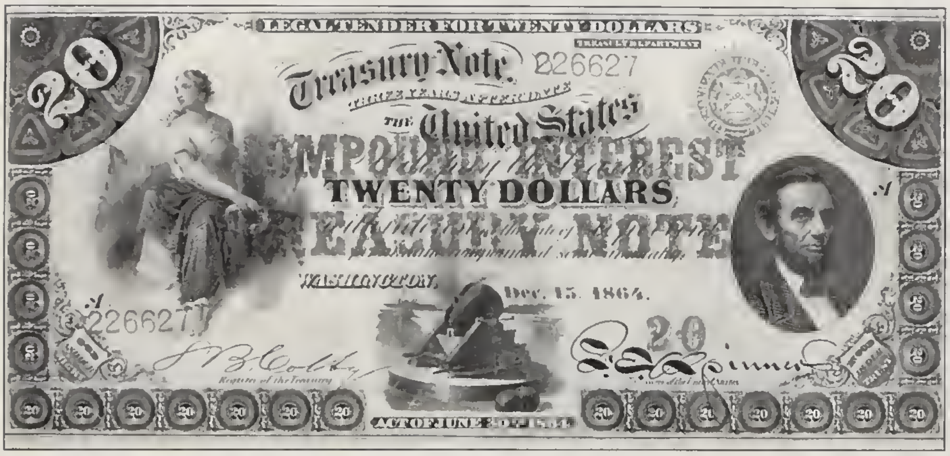
On the Southern side, however, there was economic ruin due to bad government policies, the blockade, and so on. The Confederate government, unlike the Union government, did not levy any tax on anybody — it just issued currency. And whenever anyone felt like it, every butcher, baker and bartender did likewise. So the South was overwhelmed with a flood of currency. The states were not prohibited, under the Confederate constitution, from issuing their own money, and

they added another $65 million in notes outstanding.

A basic Southern business activity was buying and selling Confederate bonds and interest-bearing treasury notes, some of which you see here. This one shows the Battle of Shiloh, and the death of General A. S. Johnson.

Efforts to get any kind of business activities underway in the South were not very successful. You see the blockade running "Importing & Exporting" certificates, which was one of the few brand new activities. Some firms, like the Athens Manufacturing Company, sold new shares trying to raise capital to increase production, and the Southerners also started their own insurance companies to replace coverage lost from Northern companies, such as thes certificates over here

Dr. Ball: Some of the banks floated new stock, but that was not very important. And a few companies, like the Arkansas State Telegraph Company, even survived the war for a time, before being gobbled up by Western Union. But as you can see, these new firms were few and far between.



USA $20 Compound Interest Teasury Note, December 15, 1864.

The Confederate government took a very laissez-faire view toward all economic activities. They waited for three years of war before trying to regulate imports and prohibit non-war essential imports like French brandies and silks, which were of very limited use and ate up cargo space and hard cash. It took them a great deal of time to control exports so they could get Southern exported products where they could sell them and then purchase munitions, armaments and so on, from Europe.

Here is a certificate issued by John Fraser and Company, Fraser, Trenholm in Liverpool. John Fraser and Company was the great Confederate blockade runner, and this bill of exchange was issued to procure the pay of the Confederate bond and note printers who had been brought over from Europe. These were a bunch of English lithographers who had to be paid every week in British coin. The result was the government had to have sterling or gold coin in order to pay these workers. Their three-year contract ran out just about the time the Union armies were approaching Columbia, South Carolina, where the printing establishments were, so they all packed up and went home via Wilmington. The Confederates, at that point, had their office plundered in Columbia. This business ended rather ignominiously because for the last month-and-a-half of the war, the Confederacy had no source of funds whatever except voluntary donations, and the occasional collection of taxes.

That neatly illustrates the whole difference between the two sides. The energy of the North, business enterprise, the government's determination to control the currency and to keep up its value with taxation and specie backed funding, versus the CSA's lethargic, business-as-usual and hopes that someone would bail them out.

Was there a single architect for the North's superiority in finance?

Dr. Ball: Actually, Secretary Chase claimed responsibility, and indeed he had some good ideas; but the fact was, most of his ideas were not original with him. Mr. Hooper, a Massachussets congressman, was the man who came up with the idea of the national banks. Thaddeus Stephens, Congressman from Pennsylvania, was the Chairman of the Finance Committee. He and Elbridge Spaulding came up with the idea of the legal tender notes. Another one of their colleagues, Senator John Fessenden of Maine, who was Secretary of Treasury from '64 to '65, came up with the idea of having a gold coin revenue, to pay the interest on the Federal debt, thereby underpinning it with something of real value. If you've got a handful of gold coins in your hand, that bond now has real intrinsic value, if only the income.

You can go right down the line and point to one person or another as partly responsible, but Chase did serve, in many ways, as a useful figurehead in that regard. Erastus Corning, a Democratic congressman from Albany, was the man who was responsible for the heavy taxes voted in March 1862, which again provided an important support for the legal tender notes by bringing in a large revenue and compelling people to get notes to pay taxes.

Where did the Greenback come from?

Dr. Ball: The Greenback idea got started with Secretary Chase. He came up with what was called the demand note, payable on demand in gold coin. But the bankers, who saw a dangerous rival to their own currencies, refused to receive them, while the Southerners were cheerfully receiving Confederate treasury notes without any legal tender law throughout the entire war. The Northern banks refused to receive these greenbacks. So when Congress passed the Legal Tender Act in February 1862, they insisted that the banks receive them or else. I've had fun enforcing that law from time to time, with regard to the Susan B. Anthony dollar. There's nothing like the hint of a $5,000 fine and six months to five years imprisonment to induce people to decide that it is indeed their policy to receive Susan B. Anthony dollars. The Northern notes got their name, of course, from the fact that they had green backs. You won't see any of them here, but the Confederate notes had blue backs, and consequently were known as "bluebacks."

We talked about the wide array of taxes that were levied by the North to support the cost of the army. What was the cost of the war to the North?

Dr. Ball: Well, the war cost $2 million to $3 million a day, by the beginning of the second year of the war. So Secretary Chase had to find enormous sums of money, and every now and then when he couldn't find enough he'd come around to the President, and say "I need another

authorization for legal tender notes ... a further increase."

What were some of the taxes? Were there some weird taxes that arose then?

Dr. Ball: Well, not absolutely weird. Internal Revenue Commissioner Wells in 1864 said if he saw anything that's a business, he'd tax it. They taxed whiskey, they taxed tobacco, they used revenue stamp taxes, and you see some of those revenue stamps here on the stock certificates. That was another way of putting little bits and pieces of revenue here, there and everywhere. The basis of the government's revenue was the Custom duties, which until the adoption of the income tax in 1913, usually made up over half the United States government's prewar, peacetime income. The Custom House at the bottom of Bowling Green was collecting roughly 25 percent of all U.S. government revenues at the time it was built. But these little stamp taxes, 25 cents here, 50 cents there, coupled with sales taxes, use taxes, luxury taxes on pianos, "pleasure" carriages, gold and silver jewelry, diamonds, gold and silver plate, came to considerable sums. The income tax was very modest though there were great shrieks of agony, but the rate was 3 percent on the first $15,000 which today would be equivalent of a 3 percent rate on the first $300,000.

Those revenue stamps persisted well into this century in tobacco and liquor.

Dr. Ball: I can remember going to the store and buying cigarettes for my mother, many, many years ago in Washington, D.C. and there was a big Federal tax stamp with DeWitt Clinton on it.

But this tax program depended upon a central government determined to innovate, determined to do things and be active. To summarize, the goal was the suppression of all currencies except those issued or authorized directly or indirectly by the United States. This meant either legal tender notes or the national bank notes, which were backed by U.S. government bonds issued during the war. That was a way of getting people to buy the bonds so they could then open a national bank and issue national bank currency. All private scrip is suppressed. Private mints out in the West were also suppressed.

Didn't some of those persist into the 1870s — the private mints in the West?

Dr. Ball: No. The last one was knocked out with the Act of June 30, 1864. It was done very simply — they bought them out. After that, nobody dared to try to open a new one, because it was too dangerousbecause of heavy government penalties. So far as the currencies are concerned, you're quite right. Efforts to keep on issuing currency, particularly in the South and scattered places in the North, persisted into the 1870s, but the Congress kept adding penalty on top of penalty, on just about everything except subway tokens, to the point where it just was too dangerous to try that again. Once in a while, like in 1933 when the banks were all closed and people were having to pay their employees with scrip, the U.S. government looked the other way. But as soon as the banks began to reopen, out came notices from the United States District Attorneys in several states saying, "Dear Sir, It has come to our attention that you have been issuing notes. We have overlooked this delinquency on your part because of the crisis, but now that the banks are reopened and currency is becoming available ...." In translation: "You bloody well better call your notes in a hurry, because if you don't, we will send you all to jail." That resulted in the currency disappearing with great speed.

CSA Registered Bond, $100 4%, February 17, 1864.

The post war growth created a national securities market here in New York. The New York Stock Exchange in 1865 was trading securities from all over the country, providing a national market for government bonds, which now become an invaluable instrument in terms of the government's managing of its own finances rather than being at the mercy of a small consortium of bankers, like W.W. Corcoran in Washington, or in the earlier days John Jacob Astor and Company in New York, and Stephen Girard in Philadelphia. So the ultimate importance of the Civil War goes far beyond the amendments to our Constitution, the abolition of slavery and so on. It really laid the foundation of a modern nation. Up to 1861, the general phrase was, "The United States are." Thereafter, the phrase was "The United States is," because now we had become a single nation, not 34 quasi-independent cantankerous states with a common agent of very limited powers. There was a truly Federal system.

What was the lingering problem? Basically there was a positive impact on the North, but why did it take the South over 100 years to come out of this?

Dr. Ball: This is because of the vengeful feelings of many of the Northerners for the South. The Southern rebellion was viewed as utterly sinful and, the Southerners as, a pack of criminals. Fortunately radicals like Thaddeus Stephens and Lincoln were wise enough to avoid proceeding to extremes. When they asked Lincoln, "What are you going to do with this Davis crew when you capture them?"

"Shoo them out of the country" Lincoln replied

By thus belittling them, they did not put a crown of martyrdom on their heads and give them, in retrospect, a dignity which they did not deserve. That tactic was very clever because so many Southerners were disenchanted with the way Davis and his friends had managed the country, that all those people were utterly discredited. A few of them like Stephens, who had been utterly discredited as Vice President because he divorced himself from the government, managed to restore some kind of political career, but the really hard-line secessionists and the ones who had been fight-to-the-finish Confederates were politically dead. They may have had some influence here and there, but they were politically gone.

The fact is that the South went from being a reasonably wealthy area to great

poverty. The slaves didn't count as people, and they represented one-third of all financial values in the South: when they disappeared permanently — not as persons, but as assets on somebody's books -- the wealthy become poor. And then unlike the North, where just a few raids took place, there was systematic pillaging and burning from one end of the country

Bank of the Commonwealth, Richmond, Virginia, $100 shares, February 15,1864.

to another. The Federal government did not have a Marshall Plan, or anything like it. The Southerners had to dig out on their own. And it is significant in this process that of 85 banks, only ten survived 1866, and only four got through 1873.

Throughout the South?

Dr. Ball: Throughout the entire South. Out of 85 banks, there were only four left within a handful of years after the end of the war. Most of the banks simply closed their doors the day the Union forces arrived and never reopened. Some of them, for instance in Salem, North Carolina, the branch of the Bank of Cape Fear, officers met and hurriedly paid themselves with the foreign exchange and gold coin on hand, redeeming the notes that they held. Then they ran around the corner, got a Federal charter for the Salem National Bank, which became the Wachovia Corporation, of today. Another firm, the Second Bank of Winchester, Virginia, became the Shenendoah Valley National Bank, which now has been merged into Virginia Bankshares, Inc. But these were wreckage-salvaging operations, and they were very few, and far between. Basically, the Northerners arrived with bundles of Southern bank notes to find that they controlled once fine collateral assets that were reduced to burned out plantations and emancipated slaves. These you could not realize on for obvious reasons and certainly not to any significant degree -- only pennies on the dollar for the plantations. Values fell and there was no capital. Southerners had to import capital from the North; the Northerners charged all the interest the market would bear. There's a tombstone down in North Carolina of one of these Northern money lenders. When he died and his relatives went around later to look at the tomb, they found someone had thoughtfully inscribed on it, "Here lies ol' 36 percent; the more he got, the more he lent; the more he got, the more he craved; good God, can such a soul be saved?" That was basically the story in the Southern economy as a result of this disastrous experiment in rebellion.

I have written a book which shows that had they managed their finances correctly, the South would have done better. Problems in finances helped the Confederacy go down the slopes to ruin, because they created hyper inflation, which meant that everybody was left without any feeling of monetary security or anything else. It ruined an army which was unclothed, unhoused, underfed and unpaid, and that meant they couldn't send money home to their families, so morale on the home front collapsed. Women wrote to their menfolk, "Help. Come home, we're starving."

You indicated that there was plummeting of values in the South after the war. What happened in the North? Was there inflation?

Dr. Ball: There had been some inflation. The Federal dollar fell to roughly three-to-one in gold at one particularly bad point in 1864. By the end of the war it was back up to around 40 percent discount against gold. And slowly over the years, until resumption of gold payments in 1879, it climbed back up to par. So you had actually what amounted to deflation in the North, which was moderate; but in the South conditions became severe. If the North had kept the currency somewhat bloated deliberately and created an aid program for the South, the South would have come out of its tailspin much sooner. But the North passed a whole group of unfavorable measures including a cotton export tax with the idea of making the Southerners pay for the war. This just slowed down the recovery of the Southern economy, and this hurt all the Northern companies, which would have liked to have sold goods to the South, but couldn't sell to people who didn't have any money or credit. So the whole country's economy was dragged down by the poverty in the South, a direct result of the war.

Why, during the war, didn't the people support taxes?

Dr. Ball: Quite a few sensible people did, but unfortunately the politicians in the South, like our gentlemen in Washington today, believed that taxation was an obscene word not to be mentioned in polite company. It took them until roughly January of 1864 before any significant tax collections began, during which time -- over three years — the government lived by the printing press. When the South seceded, the total currency circulation was $100 million. By 1863, they were printing $50 million a month. You can imagine what would happen here if the Federal Reserve inaugurated such a policy.

If you look at the legislative accomplishments in the North in that four-year period, there was a lot accomplished.

Dr. Ball: A tremendous amount was accomplished, and it was accomplished by men who were extremely able. But the difference between those men and the modern ones is that they did not go out and take a poll before figuring out what needed to be done. They decided what was in the best interest of the United States and they proceeded to enact it. And to those with fear and trembling who were saying, "Dare we face our constituents after vot-

ing all these heavy taxes?", their answer was, "Let them find you tough. Go home and tell them, 'Do you want to save the Union, or don't you? Are you a traitor or a loyal man?'"

I understand that, but at that time, all of the Southern members of Congress were absent!

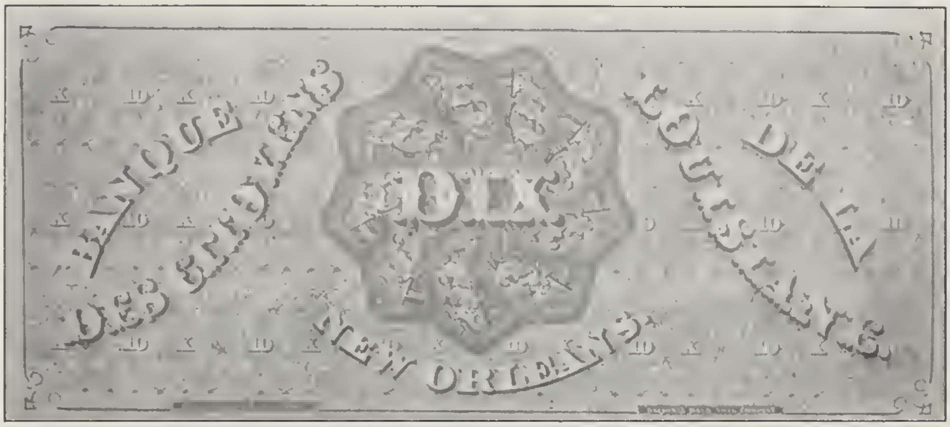
Dr. Ball: That was a key point. The Southerners, because of slavery, began to fear the central government, so they didn't want it to exercise any of its Constitutional powers, and they blocked it. As soon as they seceded and left, they opened the way for all the innovations that everybody had been talking about for years and wanted to get done, but had been blocked because of the Southern votes.

Similarly, when the Southerners set up their own government, instead of recognizing their own government as the defender of their interests, they treated it as their enemy. That lack of confidence in their own government was one of the factors that made taxation and other measures needed to win a very difficult war practically impossible. And of course the fact that President Davis lived in isolation in his office in the Confederate White House, and seldom condescended to go down and work with the Congressmen and explain to them what was needed, and why, didn't help.

So politicians could take some lessons from the war?

Dr. Ball: Yes. And it also goes far to explain why today the Northerners have a very casual view toward hyper-inflation -- they never experienced it! It also explains why the Southern politicians today tend to be the ones who talk about balanced budgets and reducing deficits and so on, because they went through the wringer, and it has influenced them ever afterward — rigid economy, and so forth. It's still with us after 100 years, and the typical patterns have not materially changed. Maybe people call themselves "Republicans" and "Democrats," but actually what they really are is old-fashioned Whigs, pre-Civil War, because they represent the same parties — Whigs versus Democrats. It's the same struggle of the pro-business group versus the same suspicion-of-business-group.

It's a doleful story, on the Southern side, of mismanagement. The Northerners made their share of mistakes, but of course having more power and more resources at their disposal, they could afford some mistakes. The fact is, they made few mistakes, and they were remarkably bold in adopting new ideas and carrying them into execution. And you see it also as a matter of party structure. The South had become a one-party area, which meant you had factionalism — Democrat A running against Democrat B — but in the North there were Democratic candidates running against Republicans. Therefore it became a war issue, which was measured by your patriotism and loyalty. This was a clever way to win over the war Democrats who supported the Union to vote for measures and overcome resistance. For even some of the Republicans like Roscoe Conkling said, "Legal Tender Act! Good Lord, horrors, I can't vote for that!" But they got enough Democrats, so they got the bill through. It was Erastus Corning and his group that did that, but the Ways and Means Committee in the House consisted of able people, every one of whom was a person of substance and real political courage. They went out and led from the front. In the South, only the Confederate generals were prepared to lead from the front. At the battle of Franklin, nine generals were killed in a single day, which was very nice for colonels!



Banque des Citoyens de la Louisiane, New Orleans, $10.

How would you assess Lincoln's overview of the fiscal handling of the war?

Dr. Ball: Lincoln had as little financial knowledge as Jefferson Davis, but one advantage. The President only worried about one thing: Will there be enough money to pay the Army and the Navy? That was his chief concern.

Toward the end of the war when his new term began, before he was assassinated, Hugh McCulloch who became his third Secretary of Treasury said to Lincoln, "Mr. Lincoln, we're trying to float this 7.3 percent loan, and I'm trying to get the bankers to support this billion-dollar effort." And McCulloch added, "As you know, Mr. President, if I may quote from the good book, where one's treasure is, there will one's heart be also," indicating that the purchase of these notes would increase the determination to see the war through. The President said, "I have heard that text, but have you, Mr. Secretary, heard this text: "Where the carcass is, there will eagles be gathered together."

Lincoln was under no illusions that the government was having to borrow money on hard terms. He knew what had to be done and he was prepared to do it. As he said, "Give the money machine another crank. We've got to find the money, we cannot allow this war to fail." FFH

Museum fundraiser, *continued from page 10*

Right: William Behrens of Ernst & Co., trustee, New York; Molly Bayley of Molly G. Bayley Consulting, trustee, Washington, D.C.; Judy Goodwin of Kemper Financial Services, Chicago; William Pinzler, Esq. of Jackson & Nash, trustee, New York.

Left: Wil Roberts of R.M. Smythe & Co.; Richard Rothenberg of Mayer & Meyer; Stephen and Randy Cooper of Nemco Brokerage Inc., trustee; Stephen Goldsmith of R.M. Smythe, all New York.

Karen Engelke of Schenectady Urban Cultural Panel, Schenectady; Joseph Meany of the New York State Museum, Albany.

William Pinzler, Esq., of Jackson & Nash, trustee; Diana Herzog of R.M. Smythe; Dot and John Watson of Security Traders Association; Sally Weiss, all New York.

John and Nancy Berry of the New York Stock Exchange, New York.

Memphis Paper Money Show: People Came To Buy!

Business at the 17th Annual International Paper Money Show was brisk, with collectors affirming that the doldrums of the eighties are over.

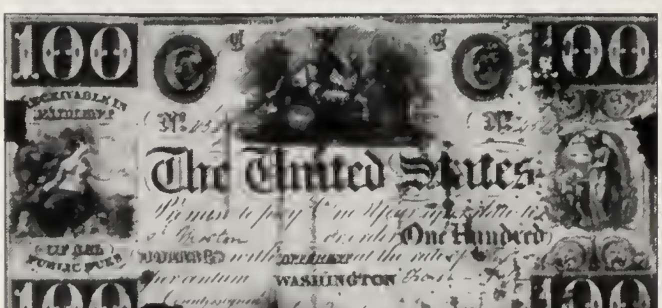
By Martin Gengerke

The annual International Paper Money Show, held June 17 through June 20, appeared to dealers and collectors alike as one of the most successful shows in many years. Over one hundred dealers specializing in various areas of paper money attended the Memphis, Tennessee, event, confirming that the doldrums of the eighties have passed and the true collector markets are alive and well.

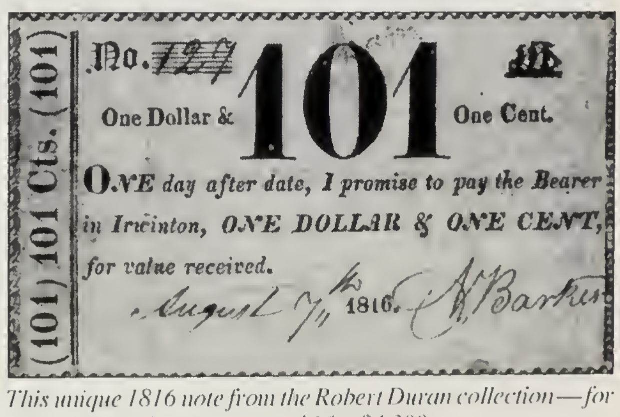
The strength of the collector market (vs. the decade-long distruptions caused by less knowledgeable "investors") was evidenced in many ways. A highlight of the convention was the exhibition of fifty extremely rare large and small size notes by the Federal Reserve Bank of San Francisco. For two hours on Friday afternoon, June 18, the Memphis branch of the Federal Reserve Bank of St. Louis hosted the exhibit, as hundreds of collectors and dealers enjoyed seeing notes that most will never have the opportunity to see again. At the convention, held a block from the Federal Reserve Bank at the Cook Convention Center, all exhibit cases were filled, as many exhibitors chose to focus on research and to share their knowledge.

Perhaps the most extraordinary demonstration of collector interest was the auction held on June 18th and 19th by R. M. Smythe & Co. While auctions of "slabbed" coins and other investor-targeted materials struggled to draw only modest crowds, the Smythe sale opened to standing room only. Avid bidders packed in, lining the back wall and bids were heard called from those standing in the door-

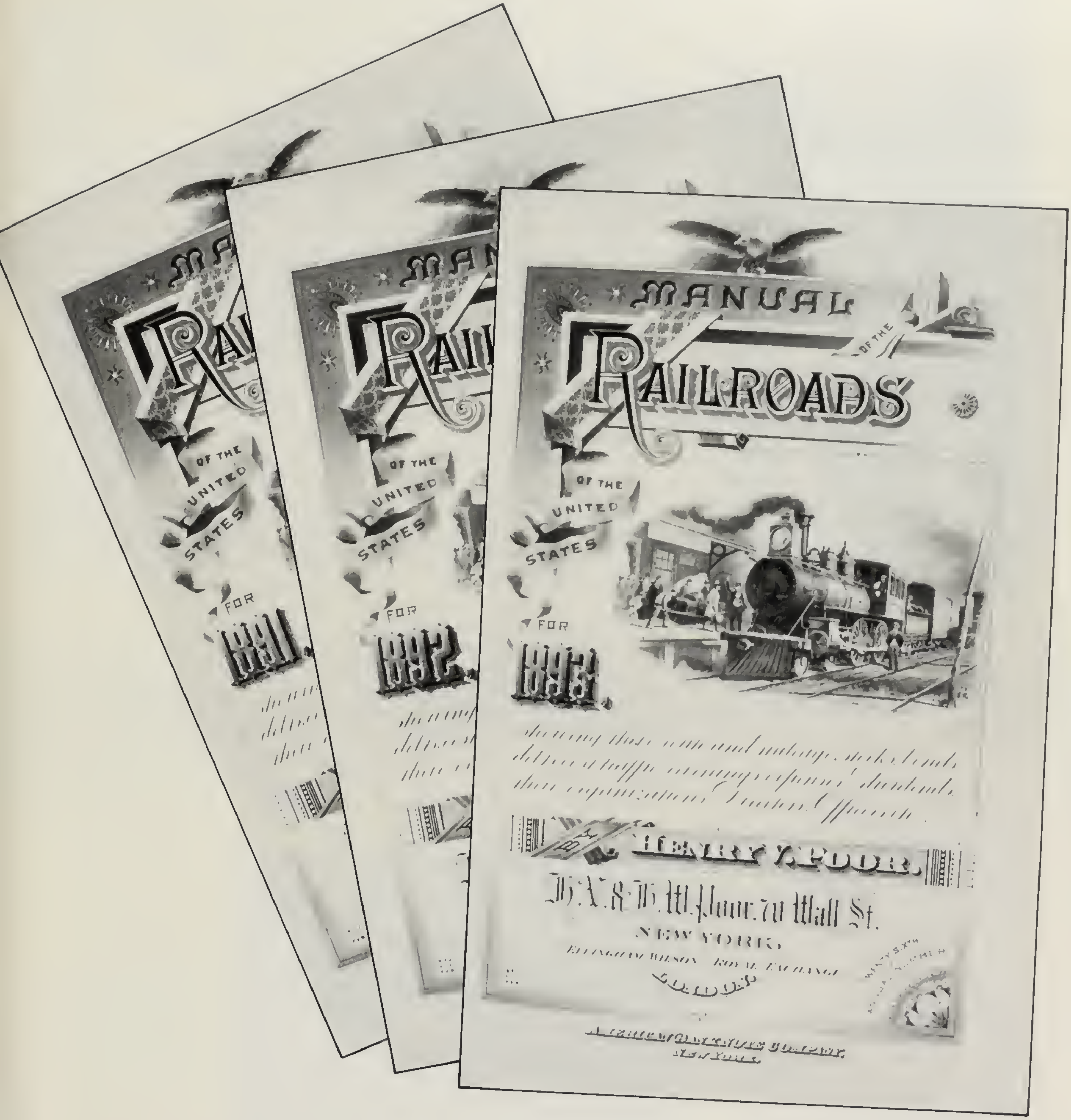
One of the premier items during the auction was this extremely rare, red ten Rouble "sealskin" note. The note, believed to be on walrus skin, not sealskin, was sold for $7,200. The notes were issued by the Russian government in five series, in 1816, 1822, 1826, 1834, and 1852. Perhaps 120 of these notes exist today, most in the permanent collections of museums.



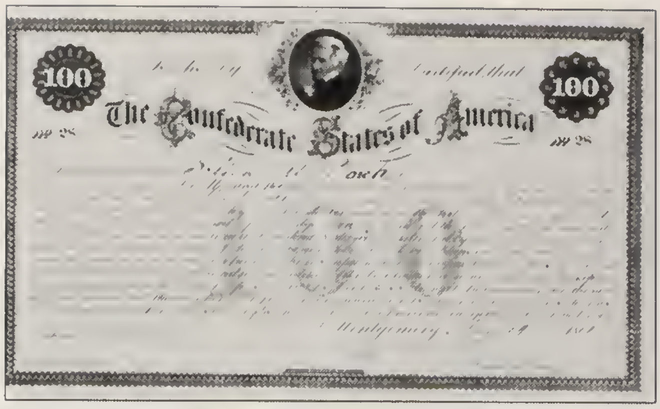
Signed by James Spencer, the Treasury Secretary, this note is a great rarity. According to R. M. Smythe & Co., no other issued note of this type is known to be in private hands. The $100 note, from 1842, sold for $4,900.



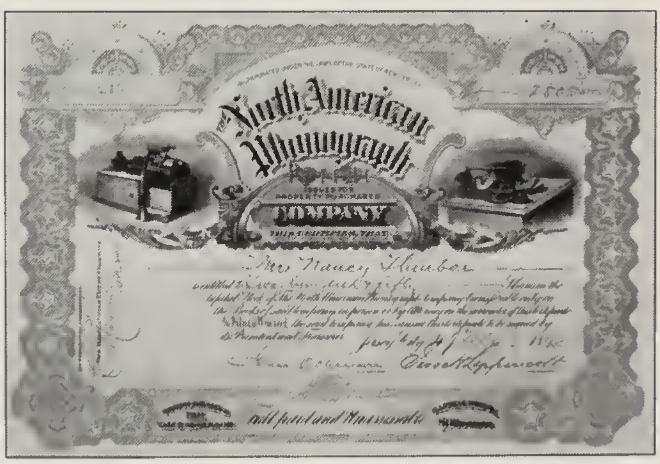
This unique 1816 note from the Robert Duran collection—for one dollar and one cent—sold for $4,300.


MANUAL
OF THE
RAILROADS
OF THE UNITED STATES
FOR
1891.
1892.
1893.
BY
HENRY V. POOR.
H.V. & H.W. Poor. 70 Wall St.
NEW YORK.
LONDON

This original stock ticker, circa 1867, brought $5,250 during the Memphis auction. The ticker revolutionized trading, and was invented just 23 years after Samuel Morse tapped out his famous message "What hath God wrought," on May 24, 1844.



Confederate currency was strong, with a $1,000 Montgomery note rising to $7,250 from its opening bid of $4,000. The $100 CSA note pictured here sold for $2,100.



This certificate, dated 1890, displays two early phonographs in its vignette flanking the title. The certificate sold for $775.

way! Given the size and enthusiasm of the audience, it was no surprise that prices time and again went to multiples of the estimates. Though their bids were strong, the mail bidders were largely shut out — people came to buy, and buy they did!

The opening act for the sale was a strong one, as fifteen examples of the rare Alaskan "seal skin" notes — a recently discovered hoard — bought on average 78 percent over their opening bids. The strongest bid was for lot 1014, one of two reported 10 rouble notes, which sold for $7,200. A small but important selection of world banknotes followed, as a five peso Banco de Centro Americy Y Londres note from El Salvador brought $1,625 on a $200 estimate, and an 1826 three florin note from the Netherlands realized $4,000—fully ten times estimate!

The U.S. federal currency section began with an extraordinary offering of pre-1861 notes. A proof of the 1837 $100 note sold for $4,100, and despite its relatively low grade, a fully signed and issued $100 note of the act of February 15, 1841 brought $4,900, as collectors realized the rarity and importance of the piece.

National Bank notes have always been a strong collector area, and this sale was no exception. A proof of the reverse of the First Charter $500 note — only one issued note remains in private hands — brought $3,000, and uncut sheets of Missouri Nationals brought $2,900 and $2,300 on estimates of $2,000 and $1,500 respectively. The Roger Duran collection provided excitement as a unique note in the denomination of $1.01 brought $4,300 and an uncut $11-12-13-14 proof sheet from the Phoenix Bank, New York brought $8,000.

The highest prices in the obsolete field were paid for a $500 State of Florida note, at $4,000, and a $5.00 Kirtland note signed by both Joseph Smith and Brigham Young, which brought more than triple estimate, at $2,600.

Confederate currency was strong, with a $1,000 Montgomery note rising to $7,250 from its opening bid of $4,000, and the $20 T-47 "Essai" note opening over estimate at $1,600, and quickly rising to an astonishing $3,900. Colonial notes were highlighted by a Hibernia Furnace five shilling note, which sold for $1,150 (over double estimate) and a Bank of North America three pence —sporting Ben Franklin's colorful marbled back — at $1,025. A Faneuil-Hall, Boston lottery ticket sold for $1,800.

Stock and bond certificates, for which Smythe is best known, were predictably strong. A Pittsburgh, Cincinnati, Chicago & St. Louis Railway certificate signed by H.C. Frick brought double estimate at $1,300 and an 1853 Independence Loan Fund certificate signed by William Walker (with a long and colorful history behind it) brought $1,800. An Edison Storage Battery certificate signed by Edison brought $2,500. The highest price in the field was the $10,000 realized for a Standard Oil (Ohio) certificate signed by both John D. Rockefeller and William Rockefeller. One of the closing lots was, appropriately, an original stock ticker, which realized $5,250. The interesting machine, invented 23 years after Morse's telegraph, revolutionized the stock trading business.

If the Smythe sale, and other convention activities are any indication, the future looks decidedly brighter for the syngraphic market, and the field is once again becoming an attractive area for the astute collector. FFH

SHOPPING GUIDE

Your listing in the Shopping Guide is $160 for four issues. Payment to accompany order, please.

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PH - Pinholes.
TCH - Tiny cancellation holes
POC - Punch Out Cancellation
STATES - Two letter postal codes.

1 **Androscoggin & Kennebec RR** (ME) 1862. **2 shs**, rd printed corporate seal, bl-gy paper. Issued for Stock Bond No. 25 of $200. **($40-Up)**

2 **Atlantic & Pacific Land & Bond of the United States** (NY) 1884. **5000 shs**, gy/bk. #13. Spread eagle, flag. Light browning strip. **($30-Up)**

3 **Nevada State Controller's Warrant** (NV) 1886. *Carson City*. **$100.** gy/bk, ye paper. Train. Mining scene. **($35-Up)**

4 **Mutual Benefit Life Insurance** (NY-NJ) 1865. **$68.75.** Scrip Dividend, gy/bk. Pelican's nest. State arms, upper corners. Dog with key, chest. Rubber stamped *R48*. **($40-Up)**

5 **Bank of Richmond** (VA) 1863. **20 shs**, gy/bk. Allegorical women, owl, ship in the distance. Train. Minor ink corrosion hole on signature. ABN. **($40-Up)**
Active 1860-65, this bank was destroyed by the Civil War.

6 **Maine Central RR** (ME) 1894. **3 shs**, gy/bk. Busy riverside train station, sailing vessels in the distance. Dog with key, chest. Punch holed signatures. ABN. **($30-Up)**

7 **Old Colony & Newport Rwy** 1871. **7 shs**, gy/bk, rd printed corporate seal. Minor edge split at bottom left. *R44* (signed & dated) **($40-Up)**

8 **Woodruff Sleeping & Parlor Coach** (PA) 1879. **2 shs**, gy/bk. Indian, river scene, city in the distance. Allegorical female. Man feeds hay to horse, bird, dog. Cherubs. Tight margin on top. ABN Lith. P. **($35-Up)**

9 **Bank of Kentucky** (KY) 1859. *Louisville*. **7 shs**, gy/bk. Allegorical woman, eagle on globe. Justice. Blacksmith. TC. **($40-Up)**

10 Dix, John: **Mississippi & Missouri RR** (IA) 1858. **43 shs**, all br. Indians watch buffalos, train. Woman & child by a stream. Steamboat. Indian warrior. DW. *R46* (signed & dated). Signed as president by **John A. Dix** (1798-1879), Union General, NY Governor and Secretary of the Treasury; Fort Dix in New Jersey is named in his honor. Small POC's touch Dix's signature in three places. **($80-Up)**

11 **Marietta & Cincinnati RR** (OH) 1863. **417 shs**, gy/bk. Allegorical women. Spread eagle on shield. Glue stains at left. Pen cancelled across. ABN. Rubber stamped *R44*. **($45-Up)**

12 **Continental Motors** (VA) 1961. **100 shs**, gy-br. Engine in an ornate oval. Facsimile signatures. ABN. **($35-Up)**

13 **Missouri, Kansas & Texas Rwy** 1891. **10 shs**, br. Train terminal. FBN. British 1R. **($30-Up)**

14 **Bank of Camden** (SC) 1931. **30 shs**, gy/bk. U.S. Capitol. Company logo. WECO. **($30-Up)**

15 **Parker Vein Coal** (MD) 1854. *Alleghany County*. **100 shs**, gy/bk. Ships. Allegorical women, either side. Locomotive. BA. **($65-Up)**

16 **Illinois Central RR** 1889. **10 shs**, gr. Route map. NBN. Dutch 1R. **($50-Up)**

17 **Detroit & Cleveland Navigation** (MI) 1943. **100 shs**, or. Ocean liner. ABN. **($30-Up)**

18 **Moulton Mining** (MT Territory) 1885. *Butte City*. **250 shs**, gy/bk. Miners in a tunnel. Miner. ABN. Signed as president by **W. A. Clark** (1839-1925), merchant and mine operator who built one of the West's great mining businesses; U.S. Senator (1901-07). **($60-Up)**

19 **Chicago, St. Louis & Pittsburgh RR** (IN) 1883. **40 shs**, bl. Victorian train station. ABN. **($30-Up)**

20 **Riverfront RR** (PA) 1879. **3 shs**, gy/bk. #22. State arms. ABN. **($35-Up)**
Unlisted in *Railroad Names*.

21 **Philadelphia & Reading Coal & Iron** (DE) 1924. **2 shs**, or. Muscular man, large gear. ABN. **($30-Up)**

22 **Northern Pacific RR - J.P. Morgan & Co.** (NY) 1896. **10 shs**, gr. CD. Allegorical woman, ship in the distance. ABN. **($40-Up)**

23 **Sharon Rwy** (PA) 1906. **5 shs**, gr. Train, factory. George Boyce's engraving. ABN. **($40-Up)**

24 **Durant Motors** (DE) 1924. **30 shs**, br. Company monogram flanked by winged allegorical figures. ABN. **($40-Up)**

25 **Pathe Film** (NY) 1941. **100 shs**, gr. Crowing rooster flanked seated allegorical women. Facsimile signatures. Central Bank Note. **($40-Up)**

26 **Pioneer Steamship** (OH) 1927. *Mentor Special District, Lake County, OH.* **35 shs**, gy/bk, or underprint. Oil tanker. **($30-Up)**

27 **Westinghouse Illuminating of Schenectady** (NY) 188_. Unissued, all br. **($20-Up)**

28 **Amalgamated Mining & Oil** (AZ Territory) 1907. **200 shs**, gy/bk. Miners and machine underground. Oil site. Britton & Rey Lith, SF. **($40-Up)**

29 **Elgin National Watch** 1930. **100 shs**, gr. Father time holds watch. Eagle & clock. WBN. **($60-Up)**

30 **Gold Park Mining & Milling** (NV) 1902. **1000 shs**, gr. Mill plants. Mining scenes in circles. **($40-Up)**

31 **Boston & Providence RR** 1847. **20 shs**, gy/bk. Lake scene, early train. Train on bridge across at left. Ink cancelled across. RWH. **($60-Up)**

32 **Fort Payne Coal & Iron** (AL) 1890. **50 shs**, gr borders and underprint. Blacks harvest cotton. Miners at work. Spread eagle. ABN. **($35-Up)**

33 **New York - Wyoming Oil & Coal** (ME) 1905. **2500 shs**, gy/bk, go embossed corporate seal and underprint. #12. Spread eagle, beehive, water falls, farm scene. **($35-Up)**

34 **Millville & Glassboro RR** (NJ) 1861. **2 shs**, all bl. Train. Dog with key, chest. Two small edge splits. *R43* (initialled & dated). **($40-Up)**

35 **Century Steel of America** (NY) 1918. **20 shs**, bl. #A17. Workers pour molten iron. ABN. **($30-Up)**

36 **South Jersey RR** 1893. **1190 shs**, gy/bk. #81. Issued to and signed by Thomas Willson as secretary and on verso. **($40-Up)**

37 **Boston, Clinton, Fitchburg & New Bedford RR** (MA) 1876. **8 shs**, gy/bk. State arms. ABN. **($30-Up)**

38 **American Druggists Syndicate** (NY) 1920. **10 shs**, ol. Allegorical woman. ABN. **($30-Up)**

39 **United States Freight** (DE) 1937. **5 shs**, br. Allegorical woman flanked by ship and speeding train. Facsimile signatures. Central Banknote. **($30-Up)**

40 **Lima Locomotive Works** (VA) 1945. **25 shs**, br. Locomotive. Facsimile signatures. ABN. **($30-Up)**

41 **Burlington & Northwestern Rwy** (IA) 1877. **One share**, gy/bk, rd embossed seal. Busy train station. **($35-Up)**

42 **Trad Television** (DE) 1950. **100 shs**, gr. Spread eagle. Facsimile signatures. CBN. **($30-Up)**

43 **Kolster Radio** (DE) 1930. CD for **100 shs**, rd borders and security underprint. ABN. **($35-Up)**

44 **American Central Rwy** 1869. **2 shs**, gy/bk. #14. Train. *R44* (initialled & dated). **($50-Up)**
Active 1868-69, this road became a part of the Chicago, Burlington & Quincy Railroad.

45 **Cincinnati, New Orleans & Texas Pacific Rwy** (OH) 1883. **100 shs**, gy/bk. Trains, steamboat. Glue staining along left border. Krebs Lith. **($40-Up)**

46 **Fidelity Loan & Trust** (IA) 1889. **10 shs**, gy/bk, gr. Horse-drawn plow. ABN Lith. **($35-Up)**

47 **Buffalo, Rochester & Pittsburgh Rwy** (NY) 1901. **100 shs**, all br. Title flanked by train and miners working. ABN. **($30-Up)**

48 **Sentinel Radio** (IL) 1948. **100 shs**, bl-gr. Mercury, transmission towers. CBN. **($30-Up)**

49 **National Insurance & Investment** (OH) 1866. **100 shs**, gy/bk. #20/ Spread eagle on dome, warehouse, ship. Liberty. Eagle. Small edge splits. Western Engraving. *R44* (initialled & dated). **($35-Up)**

50 **Roosevelt Field** (NY) 1936. **100 shs**, gr borders & security underprint. Company emblem. RBN. **($30-Up)**

51 **New York Speedway Stable** (NY) 1902. **One share**, gy/bk. Low #3. State arms. **($30-Up)**

52 **U.S. Airlines** (FL) 1946. **100 shs**, or borders and security underprint. Facsimile signatures. ABN. **($25-Up)**

53 **Buffalo & Lake Erie Traction** (NY-PA) 1918. **5 shs**, or. Spread eagle on shield. State arms. Streetcar below. ABN. **($40-Up)**

54 **Stark Electric RR** (OH) 1931. **One share**, gy/bk, or. Allegorical woman with light, globe. WBN. **($30-Up)**

55 **Bayside Motors** (MA) 1932. **30 shs**, gr. Low #2. **($30-Up)**

56 **Page & Shaw** (MA) 1929. **One share**, br. Company building and busy grounds. **($35-Up)**

57 **Sun Airline** (MO) 1968. **100 shs**, br. Bicolor (ye & br) sun. Minor edge tears. Rubber stamped signatures. **($25-Up)**

58 **UAL & United Air Lines** (DE) 1977. **1900 shs**, gy/bk, or. Mercury. Facsimile signatures. ABN. **($25-Up)**

59 **Ford Motor** (DE) 1919. **330 shs**, rd. Engineer stands next to an early car flanked by scenes of the old and the new city with its skyscrapers and highway interchange. Facsimile signatures. SCB. **($50-Up)**

60 **New London Ship & Engine** (CT) 1912. **5 shs**, bl. Engine. **($35-Up)**

61 **L.S. Adams Engineering** (MA) 1954. **5000 shs**, gr. #25. Building. Issued to and signed as treasurer and president by **L. Sherman Adams** (1887-1959), American businessman and corporate executive; member of the Boston Stock Exchange. **($60-Up)**

62 **Madeline Oil** (TX) 1901. **1000 shs**, gy/bk, go embossed corporate seal and underprint. Oil towers. Oil field. Minor edge splits. **($30-Up)**

63 **Pullman** (IL) 1907. *Chicago Certificate*. **79 shs**, all br. Pullman's engraving. ABN. **($20-Up)**

64 **Pass-Me-By Tunnel Mining & Milling** (CO) 1906. **8 shs**, gy/bk, go embossed corporate seal and underprint. Mill plant. Mining scenes at corners. Minor edge splits. ABN. **($40-Up)**

65 **Winchester Repeating Arms** (DE) 1929. **100 shs**, gr borders and security underprint. Temporary Certificate for Class "A" Stock. ABN. **($30-Up)**

66 **Union Lighterage** (CA) 1908. **150 shs**, or. #4. Indian warrior, ships. **($30-Up)**

67 **Wahnetah Land & Improvement** (PA) 18__. *Mauch Chunk*. **Shares**, or. State arms. Indian. Semi-nude woman. U. **($25-Up)**

68 **Chicago & Canada Southern Rwy** 1874. **150 shs**, bl-gr. Steam engine leaving turntable. Sleeping car below. NBN. **($75-Up)**

69 **United States Leather** (NJ) 1927. **100 shs**, bl. Bull's head flanked by allegorical figures. Facsimile signatures. ABN. **($30-Up)**

70 **Ringling Bros. - Barnum & Bailey Combined Shows** (DE) 1970. **One share**, PINK border frames, multicolored inner frame consisting of clowns, acrobats, circus wagons, lions, tigers, and many more. Central fold. ABN. **($475-Up)**

71 **South Lake Mining** (MI) 1918. **100 shs**, or. Snow covered mountains. JAL. **($45-Up)**

72 **Latin American Airways** (DE) 1946. **75 shs**, gr. Allegorical woman, lion. CBN. **($25-Up)**

73 **Trans Caribbean Airways** (DE) 1966. **43 shs**, br borders and security underprint. Second Series Class A Stock Purchase Warrant. ABN. **($20-Up)**

74 **Kentucky Wagon Manufacturing** (KY) 1902. **27 shs**, gy/bk. "Old Hickory" wagon. Courier Lith. *R168, R169, R173.* **($60-Up)**

75 **National Union Oil & Gas** (OK) 1918. **4 shs**, gy/bk, gr. Oil towers and gushers. Minor edge splits. **($30-Up)**

76 **C & C Super** (DE) 1955. **100 shs**, or. Company emblem flanked by bottles of Super Coola and Super Root Beer. Facsimile signatures. SCB. **($30-Up)**

77 **Atlantic City & Shore RR** (NJ) 1907. **100 shs**, gr. Streetcar flanked by beach scenes. SBN. **($70-Up)**

78 **Rock Island** (NJ) 1910. **100 shs**, bl. Train approaches station. ABN. **($35-Up)**

79 **Goldfield Consolidated Mines** (WY) 1910. *Goldfield, NV.* **5 shs**, br. Miners underground. WBN. **($35-Up)**

80 **Grossbard Securities** (NY) 1971. **100 shs**, bl. Bull and bear. Facsimile signatures. **($25-Up)**

81 **Iowa Central Airline RR** (IA) 1856. **20 shs**, gy/bk, bl paper. Train, cows. Blacksmith. **($60-Up)**

82 **Philadelphia County Loan** (PA) 1838. **$5000.** gy/bk, bl paper. #23. Minor ink corrosion. Trimmed slightly to borders. **($40-Up)**

83 **Merchants Union Express** (NY) 1867. **20 shs**, gy/bk, gr denomination underprint. Express wagon, boxcar. Handshake below. Trimmed partially to borders on top. Hatch & Co. **($60-Up)**

84 **Portland & Ogdensburg Rwy** (ME-NH) 1895. **12 shs**, gy/bk. Train, horse carriage, steamer. **($40-Up)**

85 **Dearborn Truck** (DE) 1920. **One share**, gy/bk, bl. Spread eagle. **($35-Up)**

86 **Keystone Hotel** (PA) 1867. **100 shs**, gy/bk. #1. Union station. State arms. Issued to the Pennsylvania RR Co. **($40-Up)**

87 **Chicago, Rock Island & Gulf Rwy** 1907. **$50,000.** Carrollton Branch First Mortgage Gold Registered Bond, rd. #5. Train, dock scene, Mercury, Prosperity. Small punch holes. WBN. **($35-Up)**

88 **American Airports** (DE) 1929. **100 shs**, gr. Facsimile signatures. **($25-Up)**

89 **Lake Superior Iron & Chemical** (MI) 1907. **230 shs**, gr, go embossed seal. Vignette of "The Chapel, Pictured Rocks, Lake Superior." Light glue staining along left margin. **($35-Up)**

90 **Superior California Farm Lands** (DE) 1916. **2 shs**, br. Voting Trust Certificate. Spread eagle fronting farm. RBN. **($30-Up)**

91 **Lionel** (NY) 1961. **100 shs**, or. Boy plays with toy trains. Facsimile signatures. SBN. **($40-Up)**

92 **Elk Horn Coal** (WV) 1917. **100 shs**, br. Train loading coal at factory. RBN. **($35-Up)**

93 **Union Dredging** (DE) 1917. **100 shs**, gr. Dredging machine. SBN. **($35-Up)**

94 **Beech Creek RR** (PA) 1893. **$10,000.** First Mortgage Registered Bond, ol. Allegorical women flanking title. Train. ABN. POC. **($60-Up)**

95 **New York City Street Improvement Fund Bond** (NY) 1861. **$1000.** gy/bk, gr embossed paper seal. City Hall and grounds. NYC arms. Snyder, Black & Sturn. Signed by **Fernando Wood** as mayor. **($50-Up)**
Wood was responsible for the establishment of Central Park in New York City.

96 **Old Colony RR** (MA) 1889. **$1000 Bond**, gy/bk. Victorian train station. Woman and eagle, bottom corners. ABN. POC. **($40-Up)**

97 **Cooperstown & Charlotte Valley RR** (NY) 1896. **5 shs**, gy/bk, go embossed corporate seal and underprint. Woman wearing a star-studded cap. POC. **($30-Up)**

98 **Louisville & Northern Rwy & Lighting** (IN) 1906. **10 shs**, gy/bk, gr. Streetcar. Light bulbs. Signed as president by **Samuel Insull** (1859-1938), public utility magnate. Insull was the financial genius behind Edison's commercial success. **($100-Up)**
Small diamond-shaped COC affecting the treasurer's signature.

99 **Narragansett Mills** 1898. *Fall River, MA.* **10 shs**, gy/bk, gr. Yankee mill workers, left. Small eagle, shield. **($25-Up)**

100 **Cia. Minera Mexicana "La Soledad y Anexas"** (Mexico) 1936. **$100.** Series B, Cs, gr. Miners in tunnels. Mexican revenue stamps. **($45-Up)**

101 **St. Paul & Kansas City Short Line RR** 1932. **$100,000.** Registered First Mortgage Gold Bond, or. Train, track workers, harvest scene. ABN. **($50-Up)**
Unusual large denomination!

102 **Delaware & Hudson** (NY) 1960. **$10,000.** First & Refunding Mortgage Registered Gold Bond, br. #R24. Locomotive #1054. ABN. PH. Extension Agreement at left. **($35-Up)**

103 **Union Passenger Rwy of Philadelphia** (PA) 1871. **$1000.** 7% Loan Bond, gy/bk, gr "1000". Allegorical women. Horse-drawn streetcars. Farmer. Worker. Shield at upper corners. ABN Lith. *RN-V4.* **($75-Up)**

104 **Torrington & Winchester Street Rwy** (CT) 1897. **25 shs**, gy/bk, gr. Title against cloud-like background. **($35-Up)**

105 **Mobile & Girard RR** (AL) 1868. **$500.** 8% First Mortgage Bond, gy/bk, rd "$500". Train, lake. Small edge splits. *R63* (signed & dated). **($75-Up)**

106 **Jamestown, Franklin & Clearfield RR** (PA) 1925. **$10,000.** First Mortgage 4% Registered Gold Bond, or. Allegorical figures. ABN. **($40-Up)**

107 **Atlantic & Pacific RR Western Division** 1880. *Western Division.* **$1000.** Income Mortgage Bond, Cu, go-br. Surveyors, Indians, trains, river scene in the distance. ABN. **($35-Up)**

108 **West Shore RR** 1942. **$1000.** Guaranteed First Mortgage Registered Bond, or. Large fancy title on top and lovely river scene below. ABN. POC. **($40-Up)**

109 Specimen: **Cleveland Union Terminals** (OH) 1927. **$1000.** First Mortgage Sinking Fund Registered Gold Bond, bl. Series C. Seated allegorical figures. Minor stain spot on top. ABN. **($45-Up)**

110 Specimen: **Cleveland Union Terminals** (OH) 1927. Similar to preceding lot except **$5000** and br. Minor staining at lower left. **($45-Up)**

111 Specimen: **Lake Shore & Michigan Southern Rwy** 19__. **$5000.** 25-Year 4% Registered Gold Bond, bl. Trackworkers, locomotive #322. Head-on view of train below. ABN. **($45-Up)**

112 Specimen: **West Virginia** 1929. **$1000.** 4-1/2% Registered Gold Bond, ol. State arms. ABN. **($45-Up)**

113 **Fort Wayne Rink Association** (IN) 1873. **$50.** First Mortgage Bond, Cu, gy/bk, rd "FIFTY DOLLARS". Crowded indoor ice skating ring. Woman bathing, bottom center. **($50-Up)**
Only 200 of these bonds were authorized issued.

114 **Los Angeles** (CA) 1905. **$1000.** Water-Works Bond, gy/bk, ol. State arms. WBN. POC. **($45-Up)**

115 **Kentucky Union Rwy** (KY) 1888. **$1000.** First Mortgage 40-Year 5% Gold Bond, Cb, gy/bk, br. Spread eagle. HLB. **($40-Up)**

116 **Sandusky & Columbus Short Line Rwy** (OH) 1891. **$1000.** First Mortgage 5% Gold Bond, Cb, br. Coal factory. Busy dockside scene. NYB. **($40-Up)**

117 **Finance Corporation of New England** (MA) 1927. **$575.** 20-Year 5% Gold Debenture Bond, Cs, or. Spread eagle. Minor fold splits. **($20-Up)**

118 **Carolina Central RR** (NC) 1881. **$1000.** First Mortgage Bond, Cs, gy/bk. Train on bridge, cows drink water beneath. ABN. **($40-Up)**

119 **Toledo & Ohio Central Extension RR** (OH) 1888. **$1000.** First Mortgage Gold Bond, Cb (no coupons), br. Allegorical women, pier across river in the background. HLB. **($45-Up)**

120 **Jewett Repertory Theatre Fund** (MA) 1924. **$100.** 15-Year 5% Gold Note, gr. "The Repertory Theater Of Boston" building. Small edge split. JAL. **($50-Up)**

121 **Chicago & Alton RR** 1899. **$1000.** 3% Refunding 50-Year Gold Bond, Cb, gy/bk, gr. Engine on turntable. Eagle below. ABN. **($45-Up)**

122 **National Motors** (DE) 1923. **$100.** 7% Debenture Trust Notes, gr, go embossed seal. Spread eagle. Central Banknote. **($40-Up)**

123 **Carthage & Adirondack Rwy** (NY) 1892. **$1000.** First Mortgage 4% Gold Bond, Cb, gy/bk, gr. Train station. Spread eagle. Headlamp in title. Stag. ABN. POC. Two orange British 1R. **($40-Up)**

124 **New England Oil Refining** (MA) 1923. **$1000.** General Mortgage 8% Sinking Fund Gold Bond, Cb, br. Series A. Spread eagle. ABN. **($35-Up)**

125 **United Water, Gas & Electric of Sedalia** (MO) 1904. **$1000.** First Mortgage 5% Gold Bond, Cb, gr. Cherub perched on a fish fountain flanked by hand holding torch and light bulb. WBN. **($35-Up)**

126 **Oklahoma Central Rwy** (OK Territory) 1905. **$1000.** First Mortgage 5% Gold Bond, Cb, gr. Train, industrial town. WBN. **($40-Up)**

127 **Atchison, Topeka & Santa Fe Rwy** (KS) 1895. **$500.** General Mortgage 4% 100-Year Gold Coupon Bond, Cb, br. Title flanked by scenes of men unloading sacks from train and men on boat waving at passing train. ABN. **($40-Up)**

128 **Jersey City** (NJ) 1920. **$1000.** Water Bond, bl. State arms. Spread eagle, shield. HBN. **($35-Up)**

129 **Arkansas Northwestern RR** (AR) 1914. **$500.** First Mortgage 6% 20-Year Bond, Cs, go-br borders and security underprint. Series A. **($35-Up)**

130 **Lincoln Bank & Trust of Louisville** (KY) 1929. **$1000.** First Mortgage Real Estate Gold Bond, Cb, or. Lincoln's portrait. **($40-Up)**

131 **Comstock Tunnel & Drainage** 1919. **$500.** First Mortgage 30-Year Gold Income Bond, Cs, br. Mining scene. **($35-Up)**

132 **Long Island Electric Rwy** (NY) 1894. **$1000.** First Mortgage Bond, gy/bk, gr, go embossed seal. Streetcar. New York Engraving & Printing. POC. **($40-Up)**

133 **Virginian Rwy** (VA) 1958. **$1000.** First Lien & Refunding Mortgage Bond, Cs, br. Series F. Locomotive in a circle flanked by seated muscular men. ABN. **($30-Up)**

134 **Northern Pacific Rwy Equipment Trust** 1956. **$1000.** Serial Equipment Trust Certificate, pr. Diesel train. FB-ABN. **($30-Up)**

135 **Evansville & Terre Haute RR** (IN) 1880. **$1000.** Consolidated 6% First Mortgage Bond, Cs, gy/bk, gr. Train, steamboat. FBN. POC. **($40-Up)**

136 **Louisiana** 1880. **$5.** Constitutional Bond, Cs, gy/bk, go embossed seal. Busy harbor scene. Cherub. Woman with sextant. State arms. Griffins. ABN. **($35-Up)**

Please note that a 10% buyer's charge will be added on all purchases.

R. M. SMYTHE & CO. - FRIENDS AUCTION #49

137 **Peoria & Pekin Terminal Rwy** (IL) 1900. **$1000.** 5% First Mortgage Gold Bond, Cs, gy/bk, gr. Busy covered terminal. ABN. **($40-Up)**

138 **Gold Hill Mining** (CA) 1890. **$500.** First Mortgage 10% Gold Bond, Cs, bl-gr. Miners working underground. Seibert & Bro. **($80-Up)**
Only 100 of these were authorized issued.

139 **Meyersdale & Salisbury Street Rwy** (PA) 1904. **$10,000.** Interim 5% Gold Bond, gr. #2. Ornate borders, mimeograpbed text. **($30-Up)**

140 **Kansas City & Olathe Electric Rwy** (KS) 1903. **$500.** First Mortgage 5% 25-Year Gold Bond, Cb, go-br. Company trolley. State arms. Few small edge splits. Union Bank Note. **($60-Up)**

141 **Panama Coal Mining** (WV) 1907. **$100.** First Mortgage 6% 20-Year Gold Bond, Cs, gy/bk, or. Spread eagle. Few marginal edge splits. **($40-Up)**

142 **Confederate States of America** 1863. **$500.** (Cr.124). Tight margins with four coupons left otherwise VF. **($30-Up)**

143 **Village of Yonkers, Westchester County** (NY) 1868. **$1000.** Mortgage Bond, Cu, all bl. #2. Scattered browning. Partially filled. U. **($25-Up)**

144 **Boston & NY Central RR** (MA) 1854. **$1000 bond,** Cu, gy/bk, gr printed corporate seal. Allegorical woman, steamboats, train. Justice. RWHE - New England Bank Note. U. **($30-Up)**

145 **Confederate States of America** 1863. **$1000.** (Cr.122). Few scattered spots. VF. **($35-Up)**

146 **Atchison, Topeka & Santa Fe RR** 1889. **$1000.** 4% General Mortgage Gold Bond, br. Locomotive, schooner. HLB. **($40-Up)**

147 **Inter-State Car Trust Equipment** (IN) 1925. **One share,** gy/bk, gr. Rail car. **($30-Up)**

148 **Lehigh Valley RR** (PA) 1944. **$1000.** General Consolidated Mortgage Registered Gold Bond, gr. Train, trackworkers. ABN. **($40-Up)**

149 **Lehigh Valley RR** (PA) 1945. **$1000.** As preceding lot except purple. **($40-Up)**

150 **Confederate States of America** 1863. **$1000.** (Cr.125). Trimmed close to border on top, staining along right and at top left margins. **Fine.** **($30-Up)**

151 **Masonic Hall Association** (MO) 1869. **$100.** 5 Years Bond, gy/bk, rd "$100." Building, horse carriages. State arms. **($50-Up)**

152 **Loan of the City of Philadelphia** (PA) 1884. **$900 bond,** bl, or, beige underprint. Attractive certificate with seven lovely vignettes. ABN. **($60-Up)**
Unusual printed denomination.

153 **Rockford, Rock Island & St. Louis RR** (IL) 1868. **$1000.** First Mortgage Bond, gy/bk, rd ornate central denomination underprint, gr embossed seal. Train, top center and lower right corner. Seibert & Bros. *RN-P2. RN-W4.* **($60-Up)**

154 **Alabama & Chattanooga RR** (AL-GA-MS-TN) 1869. **$1000.** 8% Second Mortgage Sinking Fund Bond, Cu, br. Train, coal factories. ABN. **($60-Up)**

155 **Agrobank (Agricultural & Building Bank for Palestine)** 1937. Handsome bond printed in English and Hebrew, gr, gy underprint, features the company emblem. **($50-Up)**

156 **San Francisco County Bond** (CA) 1852. **$200.** Cs, Cu, gy/bk. Allegorical women. General Washington. Red ink cancellation across. Mounted with four the coupons glued back on the bottom. **($40-Up)**

*** *END OF SALE* ***

* * * * * * * * TERMS OF SALE * * * * * * * *

1. All items in this catalogue are guaranteed. If any substantial defect, not described in the catalogue, is found by a purchaser who was unable to examine the lots prior to the sale, the material in question may be returned within three days of receipt.
2. Estimates of value, printed after each lot, are only approximations, and the price realized may be lower or higher. All certificates are issued, common stock, and in very fine condition, unless clearly described otherwise.
3. Please bid early. Bids are always used competitively and will be executed at the lowest possible price, except where fair market value dictates. Bidders unknown to us are required to send suitable references.
4. All bids must be received before the published deadline. We will accept bids by telephone at (212) 943-1880 and by FAX at (212) 908-4047. Prices realized will be published in the next issue of *Friends*. If you can type your bid sheet, we will appreciate it.
5. The auctioneer reserves the right to withdraw lots at any time prior to sale.
6. A commission at the rate of 10% of the hammer price of each lot sold is payable by the buyer to R. M. Smythe & Co., Inc.
7. Unless exempt, the purchaser will be required to pay appropriate sales tax.
8. Lots must be paid for within ten days after sale. Late payments will subject to charges at 1.5% per month.

PRINTERS & ENGRAVERS:

ABN	- American Bank Note
CBN	- Columbian Bank Note
CT	- Charles Toppan & Co.
DTL	- Draper, Toppan, Longacre & Co.
DW	- Danforth, Wright & Co.
EAW	- E.A. Wright Banknote
FBN	- Franklin Bank Note Co.
FLB	- Franklin-Lee Bank Note Co.
HBN	- Hamilton Bank Note
HLB	- Homer Lee Banknote
IBN	- International Bank Note
JAL	- John A. Lowell Bank Note
NBN	- National Bank Note Co.
NYB	- New York Bank Note Co.
RBN	- Republic Bank Note
RWH	- Rawdon, Wright & Hatch
RWHE	- Rawdon, Wright, Hatch & Edson
SBN	- Security Bank Note Co.
SCB	- Security Columbian Banknote
TCC	- Toppan, Carpenter, Casilear
UBSH	- Underwood, Bald, Spencer & Hufty
WBN	- Western Bank Note & Engraving


Androscoggin and Kennebec Railroad Co
The Atlantic and Pacific Land and Road Co. of the United States:
STATE CONTROLLER'S WARRANT
BANK RICHMOND
MAINE CENTRAL RAILROAD COMPANY.
WOODRUFF SLEEPING & PARLOR COACH COMPANY
BANK OF KENTUCKY
MISSISSIPPI & MISSOURI RAIL ROAD COMPANY.
CONTINENTAL MOTORS CORPORATION
NATIONAL INSURANCE & INVESTMENT COMPANY.
ROOSEVELT FIELD INC.
BUFFALO Rochester & Pittsburgh RAILWAY COMPANY
SENTINEL RADIO CORPORATION
The Cincinnati, New Orleans and Texas Pacific RAILWAY COMPANY.
KOLSTER RADIO CORPORATION
American Central Railway.
THE BURLINGTON AND NORTHWESTERN RAILWAY COMPANY.
Trad Television Corp.
UNITED STATES FREIGHT COMPANY
LIMA LOCOMOTIVE WORKS, INCORPORATED.
BOSTON, CLINTON, FITCHBURG AND NEW BEDFORD RAILROAD COMPANY.
AMERICAN DRUGGISTS SYNDICATE
CENTURY STEEL COMPANY
PAR, $50.
New York-Wyoming Oil & Coal Company
BOSTON AND PROVIDENCE RAIL ROAD CORPORATION.
BOSTON AND PROVIDENCE RAIL ROAD CORPORATION
FORT PAYNE COAL & IRON COMPANY
NATIONAL WATCH CO
GOLD PARK MINING AND MILLING COMPANY.
Westinghouse Illuminating Company
PATHÉ FILM CORPORATION
Amalgamated Mining & Oil Company
THE PIONEER STEAMSHIP COMPANY
The Sharon Railway.
DURANT MOTORS, INCORPORATED.


IOWA CENTRAL AIR LINE RAIL ROAD CO
UNION DREDGING COMPANY
THE TORRINGTON AND WINCHESTER STREET RAILWAY COMPANY
State of Pennsylvania
PHILADELPHIA COUNTY LOAN
SIX PER CENT
BEECH CREEK RAILROAD COMPANY
Mobile and Girard Rail Road Company
MERCHANTS UNION EXPRESS CO.
Street Improvement Fund Bond of the Corporation of the City of New York
The Mayor, Aldermen & Commonalty of the City of New York
JAMESTOWN, FRANKLIN AND CLEARFIELD
PORTLAND & OGDENSBURG RAILWAY
Old Colony Railroad Company
ATLANTIC & PACIFIC RAILROAD COMPANY
Dearborn Truck Company
The Cooperstown and Charlotte Valley Railroad Company
West Shore Railroad Company
The Keystone Hotel Company
LOUISVILLE & NORTHERN RAILWAY & LIGHTING COMPANY
CAPITAL STOCK $5,000,000
THE CLEVELAND UNION TERMINALS COMPANY
$50000
THE CHICAGO, ROCK ISLAND & GULF RAILWAY COMPANY
Narragansett Mills
AMERICAN AIRPORTS CORPORATION
$ 200,000.00
THE LAKE SHORE AND MICHIGAN SOUTHERN
LAKE SUPERIOR IRON & CHEMICAL CO.
ST. PAUL AND KANSAS CITY SHORT LINE RAILROAD
STATE OF WEST VIRGINIA
SUPERIOR CALIFORNIA FARM LANDS COMPANY
VOTING TRUST CERTIFICATE
THE DELAWARE AND HUDSON COMPANY
THE LIONEL CORPORATION
UNITED STATES OF AMERICA
STATE OF PENNSYLVANIA
Union Passenger Railway Company Philadelphia
The Fort Wayne Rink Association
ELK HORN COAL CORPORATION


CITY of LOS ANGELES
$1000
KENTUCKY UNION
Sandusky Columbus
Finance Corporation of New England
CAROLINA CENTRAL RAILROAD COMPANY
THE TOLEDO AND OHIO CENTRAL EXTENSION
1000
COMMONWEALTH OF MASSACHUSETTS
The Jewell Repertory Theatre Fund, Inc.
CHICAGO AND ALTON
National Motors Corporation
100
Carthage Adirondack
RAILWAY COMPANY
NEW ENGLAND OIL REFINING COMPANY
UNITED WATER GAS AND ELECTRIC
OKLAHOMA CENTRAL
THE ATCHISON TOPEKA AND SANTA FE RAILWAY COMPANY
GENERAL MORTGAGE
500
CITY OF JERSEY CITY.
WATER BOND
Series A
Arkansas Northwestern Railroad Co.
Lincoln Bank and Trust Company
$1000
COMSTOCK TUNNEL & DRAINAGE COMPANY
$500
The Long Island Electric Railway Company
THE VIRGINIAN RAILWAY
NORTHERN PACIFIC RAILWAY EQUIPMENT TRUST OF 1956.
STATE OF INDIANA
Evansville and Terre Haute
CONSTITUTIONAL BOND
State of Louisiana
PEORIA AND PEKIN TERMINAL RAILWAY.

PHILADELPHIA AND READING COAL AND IRON CORPORATION
COMMON STOCK
Northern Pacific Railroad Company
J.P. MORGAN & CO.
Chicago, St. Louis and Pittsburgh Rail Road Company
THE RIVERFRONT RAILROAD COMPANY
Detroit and Cleveland Navigation Company
MOULTON MINING COMPANY
PARKER VEIN COAL COMPANY.
Illinois Central Rail Road Company
MISSOURI, KANSAS AND TEXAS RAILWAY COMPANY
The Bank of Camden, Camden, S.C.
CAPITAL $100000
SHARES $100 EACH
NEW YORK SPEEDWAY STABLE COMPANY
100 SHARES
U. S. AIRLINES, INC.
BUFFALO AND LAKE ERIE TRACTION COMPANY
THE STARK ELECTRIC RAILROAD COMPANY.
Bayside Motors Incorporated
Sun Airline Corporation
UAL, INC.
UNITED AIR LINES, INC.
Ford Motor Company
The New London Ship and Engine Company
L. B. ADAMS ENGINEERING, INC
The Madeleine Oil Company.
THE PASS-ME-BY TUNNEL MINING AND MILLING COMPANY
THE PULLMAN COMPANY.
WINCHESTER REPEATING ARMS COMPANY
CLASS "A" STOCK
100 Shares
Union Lighterage Company
WAHNETAH LAND AND IMPROVEMENT COMPANY
Chicago and Canada Southern Railway Company.
THE UNITED STATES LEATHER COMPANY
SOUTH LAKE MINING COMPANY
LATIN AMERICAN AIRWAYS INC
TRANS CARIBBEAN AIRWAYS, INC.
SECOND SERIES CLASS A STOCK PURCHASE WARRANT
KENTUCKY WAGON MANUFACTURING COMPANY
National Union Oil & Gas Co.
C & C SUPER CORPORATION
ATLANTIC CITY & SHORE RAILROAD COMPANY
THE ROCK ISLAND COMPANY.
100
The Goldfield Consolidated Mines Company
GROSSBARD SECURITIES CORP

FRIENDS MAIL BID SALE #48
Prices Realized

1 - 40	39 - 20	66 - 30	100 - 125	128 - 50
2 - 25	40 - 30	67 - 35	101 - 50	132 - 55
5 - 46	42 - 25	69 - 20	105 - 80	133 - 110
7 - 55	44 - 35	72 - 105	106 - 100	134 - 85
8 - 45	46 - 20	73 - 65	107 - 75	135 - 90
9 - 35	49 - 35	75 - 55	108 - 50	136 - 29
16 - 35	50 - 50	78 - 90	110 - 55	137 - 55
17 - 20	51 - 142	79 - 130	111 - 35	138 - 75
19 - 50	52 - 60	81 - 30	113 - 120	139 - 25
20 - 50	53 - 30	82 - 20	114 - 40	140 - 75
21 - 35	54 - 50	88 - 25	115 - 60	141 - 75
22 - 30	55 - 80	89 - 45	118 - 42	145 - 150
23 - 30	57 - 30	90 - 30	119 - 80	147 - 75
26 - 25	59 - 75	92 - 65	120 - 55	150 - 75
27 - 34	61 - 24	94 - 25	122 - 60	
29 - 40	62 - 18	96 - 44	123 - 40	
30 - 45	63 - 40	97 - 121	124 - 75	
34 - 40	64 - 28	98 - 50	125 - 90	
38 - 25	65 - 30	99 - 40	127 - 80	